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BANK REFORM AND HUMAN SOCIAL SECURITY OF BANK USERS IN NIGERIA

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ABSTRACT

This research focuses on the impact of bank reform on human social security of bank users in Nigeria. Most bank users were conspicuously repulsive of the ongoing bank reforms in Nigeria as it has not been protecting their individual interest. This is due to unbridled activities of some elite bank users, which benefited from the unwholesome utilization of banking services in the country. This study essentially seeks to understand challenges and setback of bank reforms on bank users' financial transaction, ways bank reforms process has infringed on the financial security of the bank users and extent to which bank reform in Nigeria has contributed towards social financial security of bank users. The study engaged both Robert Merton's intended and unintended purposive social action and social constructivism theories in advancing understanding on the subject matter. The study engages cross-sectional research design, which combined questionnaires and in-depth interview in sourcing for useful information from selected communities in southwestern Nigeria. Multistage, cluster and purposive (with snowball) sampling technique were engaged in selecting respondents and interviewees for the study. Data were analyzed using descriptive and content analysis.The study revealed that the reforms were not strategic enough in protecting the interest of most bank users, rendering sections of the economy such as the lower class, illiterates and the economically active poor, incapable of banking transactions in the country. The authors concluded that it is very necessary for banks in Nigeria to imbibe best corporate governance practice, improve on self-regulation that is customers friendly, institute IT-driven culture (such as ATM, internet banking, mobile banking, etc) and seek to be competitive in today's globalizing world.

Key words: *Bank Reform, Bank Users, Financial institution, Financial Security, Human Social Security, Management*

Introduction

Banking services and operations in Nigeria have been observed overtime to be an essential part of our day-to-day necessities in human endeavour. This is because it deals with financial transactions which are a major influence on all other sectors of the society. The emergence of banking in Nigeria could be traced to 1892, when the African Banking Corporation was opened in Lagos. It was later reorganized as the Bank of British West Africa (BBWA) then Standard Bank of Nigeria and later renamed as First Bank of Nigeria. Later on, Barclays Bank DCO (Now Union Bank) was also opened in 1917 in Lagos (Okpara, 2010). These banks were established basically to serve the interest of the colonial administrative authorities in Nigeria. After about four decades after the establishment of the early banks, the people became aware of the exploitation of the British government. This consciousness led to the emergence of indigenous banks like Agbonmagbe Bank (now Wema Bank), the Nigerian Farmers and Commercial Bank, Nigerian Trust Bank, Merchant Bank, Standard Bank of Nigeria, Central Bank of Nigeria and a host of others (Igweike, 2005).

Conceptually, bank reforms are undertaken to ensure that every part of the economy functions efficiently in order to ensure the achievement of macro-economic goals of bank users, full employment and high economic growth for both internal and external users of the banking sector. Thus, banking reform in Nigeria is an integral part of the country-wide reform program undertaken to reposition the Nigerian economy to achieve the objective of becoming one of the twenty (20) largest economies by the year 2020. As part of the vision, the banking sector is expected to effectively play its actual role in intermediation and for the banks to be among global players in the international financial markets.

The recent experience from the global financial crisis has further underscored the imperatives of countries to embark on banking reforms on a regular basis. Recently, the world economy was hit by an unprecedented financial and economic crisis since the fourth republic till date which has resulted in a global recession. This crisis led to the collapse of many world-renowned financial institutions and even caused an entire nation to be rendered bankrupt. Several banks were able to increase their capital base through this reform and recession. By merging some banks, the government established and efficient and disciplined banking system. Many local banks were emerged. Therefore, the Nigerian government had no need to depend on the foreign banks fully.

In one word, it can be said that, through banking sector reform the government of Nigeria was able to move their economy forward.

Ozemhoka and Abieyuwa (2014)defined reforms as “innovations, new ways or strategies put in place to improve or replace the old ways in which things were being done which are usually introduced either in response to evolving developments, operational challenges or as proactive measures both to strengthen the bank system, as well as to prevent systemic crisis”. This definition of reform stated in Ozemhoka and Abieyuwa’s“Appraisal of the challenges of banking sector reforms in Nigeria” shows that part of the essence of a reform is to respond to operational challenges, but some of the reforms which have been carried out in Nigeria have been unsuccessful in solving some operational problems. Similarly, having survived the shake-up that was experienced by the indigenous banks, some reforms were introduced in the banking sector in order to strengthen the survival of the banks, and to as well provide for the safety of depositors most of who were basically average income earners. Part of the reforms include the merger of banks where banks that could not meet up with the newly introduced share capitals were categorized and merged so as to pull their resources together to form a viable bank. This merger process however has led to the failure of most of the merged banks to live up to their duty of safe keeping of the customers’ moneys and other valuables. As a result, many of these bank customers fell into varying degree of losses and bankruptcy and this puts into question the essence of the bank reform if money and valuables of the customers who are the end major criteria of the reforms are not secured.

The introduction of online financial transaction and use of Automated Teller Machines (ATM) as part of technological mechanisms that came with the reform cannot be over emphasized. Its introduction which was aimed at easing the process of banking services usage, has been observed to as well carry along some loopholes which makes the system open to fraudulent opportunities that was curtailed before the introduction of these financial transaction mechanism. For instance, a third party can have access to some account detail of a customer by just having the Automated Teller Machines (ATM) card of the customer, (which could possibly get lost, stolen or misplaced) and with it, successful transactions can be made. Some online shopping/transactions only require the card number which is not confidential to transact business.

Specifically, bank reforms are carried out to enhance the performance of banks, restore the credibility and confidence of customers in banking operations (Kanu and Hamilton, 2013). These reforms primarily are meant to ensure the human social security of the bank users, majority of who are average income earners. Any effective banking system should be able to provide a competent and effective financial service to the customers. In addition, most reforms in the Nigerian banking system has failed to yield desired and expected results, which has led to the continued existence of the operational and structural inadequacies that have depicted the banking operations, as far as average income customers are concerned. Thus, most customers who had savings with some of the failed banks, for example, former Savannah Bank Nigeria and Societe Generale Bank Nigeria in the early 90's, have had to forfeit their hard-earned savings, as they could not retrieve it after the bankruptcy of such banks. This led to the dis-stabilization of most of the bank users who are victims of this procedure, where many could not be able to recover financially till today.

Essentially, different approaches adopted towards bank reforms in Nigeria, have not conspicuously been encouraging to the average bank customers. From the merging of the so called "sick bank" with the financially able ones in the early 2000's, to the introduction of NUBAN (National Uniform Bank Account Number) scheme, to the Bank Verification Number (BVN) scheme, to the Automated Teller Machine (ATM) usage and the BVN (Bank Verification Number) in which for the first time, customer data, facial and fingers print were captured, one would have expected all these reforms to translate into a reliable banking service that guarantee safety and social security of average income earners, however, this is not the case. Hitherto, customers have to queue for long hours waiting for the machines to dispense cash, while in some cases; the machines may not be functional at all and are not immune to fraud. Most bank users were conspicuously repulsive of the ongoing bank reforms in Nigeria as it does not translate into protecting their individual interest. This is due to unbridled activities of some elite bank users, which they see as contributing to the unwholesome utilization of banking services in the country.

This and many other defects have continued to raise questions about the role(s) that the different banking reforms introduced have played in ensuring the human social security of bank users, who are average income earners.

Earlier studies have focused on exploring the effects that a transition from a pay-as-you-go (PAYG) social security system to a fully funded system may have on income distribution, fiscal policy, monetary policy and capital accumulation with minimal attention on the impact of bank reforms on human social security in Nigeria. However, the study will focus on exploring historical determinants of banking system trend in Nigeria before the era of technology advancement, challenges and setback of bank reforms in making financial transaction accessible and flexible to the users, ways bank reforms process has infringed on the financial security of the bank users and extent of efforts of all the bank reform in Nigeria has contributed towards social financial security of bank users especially average income earners.

Literature Review

Banking System before Information Communication Technology (ICT)

The practice of the banking activities in the Nigerian society has been described to have begun as far back as the late 18th century when Elder Dempster Merchants started some quasi banking business (Oluduro, 2015). Banking system has evolved in various stages at different periods and since the emergence of banking operations in Nigeria in 1892, many factors have impacted on the banking system in Nigeria. At the establishment of the first banks (African Banking Corporation and Bank of British West Africa), they authenticated their presence in Nigeria by influencing commercial, trade and financial activities in the country (Ajayi and Sosan, 2013).The domination of Nigeria by the foreign banks was soon intercepted in 1914, when indigenous banking enterprises started out of patriotic and nationalistic opinions of having locally owned and managed banks (Oluduro, 2015). Most of these banks unfortunately could not stay in operation for a long time as a result of factors like; inadequate capital base, and lack of qualified staffs and skills, among others, as stated by the Paton's commission of enquiry (Oluduro, 2015).

The failure of the banks led to the setting up of G.D Paton's enquiry in 1948, by the colonial administration to investigate banking practices in Nigeria (Ajayi and Sosan 2013). The report of the commission brought to attention the irregularities in the operations of the banks, and it set the ground for banking legislation in Nigeria. This led to massive growth and development in the banking system, and by 1958, the highest regulatory body in the land; the Central Bank of Nigeria was established. The Central Bank of Nigeria began full operation the following year.

The Central Bank of Nigeria has since its creation been regulating the operations of banks, as well as introducing various reforms in the sector. All these reforms as witnessed in the sector were aimed at ensuring viable growth and development of the banking system, before the introduction of technological packages in the 21st century.

The rationale behind banking reforms in Nigeria was for achievement of macroeconomic goals of price stability, full employment, high economic growth and internal and external balances. However, the recent reform was expected to play actual role in financial intermediation, financial stability and confidence in the system (CBN, 2012). The backdrop of correcting structural and operational weakness in the year 2004, which was the fourth phase of banking reform in Nigeria, was the revitalization of financial intermediation in the sector. The recent reforms centered on providing cheap credit to the real sector, and financial accommodation for Small & Medium Scale Enterprises (Anyanwu, 2010) Prevailing Challenges of Bank Reforms towards Financial Transactions on the Bank Users

Bank Reforms and Financial Transactions

As noted in Essien, (2012) it has been observed that financial institutions in Nigeria have been encountering various degrees of challenges, owing to factors ranging from the different bank reform policies and the susceptibility to societal distress. According to Okeke (2007) he postulated that reforms are specific steps taken by the government and policy makers in order to improve the efficiency of specific institutions of the society. Ajayi (2005) stated that reforms are predicated upon the need for reorientation and reposition of existing status quo in order to attain an effective and efficient state. The aim of the bank reforms in Nigeria on the other hand turned out not achieved due to what Ozemhoka and Abieyuwa referred to as reactive rather than being proactive reforms in their paper titled “Challenges of Banking Sector Reforms in Nigeria: An Appraisal”. As a result of the reactive and not proactive nature of the reforms, they were therefore not strategically holistic in approach, which made the positive effects of the reforms short lived or unsustainable (Ozemhoka and Abieyuwa, 2014).

The structural changes in the banking sector after the establishment of Central Bank of Nigeria, it made the sector a free market which saw many commercial and merchant banks getting licensed. Conversely, this also came with its consequences. Banks experienced distress caused by bad loans and advances, and owners direct intervention in the banks. With most of the banks having sole owners, the owners took sole decisions like giving loans without following appropriate procedures, most of which ended up being bad debts and later resulted in undercapitalization. These led to crisis and erosion of public confidence and ultimately claimed the lives of twenty-seven banks between 1994 and 2003 (Oluduro, 2015). This occurred as a major setback to the banking system and the bank users.

The 2004 bank reforms in Nigeria which included consolidation of Nigerian banks, saw banks that had existed independently being merged together with other banks, while some were procured in a process called Mergers and Acquisition (Essien, 2012). The consolidation which required the banks to increase their capital base to ₦25 billion led various banks to merging together in order to accumulate funds, and also relocation of the banks in some instances (Okpara, 2010). The relocation of banks from their usual sites in those cases made financial transactions inaccessible to some of the customers and as a result, many of those affected found it difficult and stressful to engage in transactions with the banks. This made bank users who are majorly low-income earners close their accounts, because one of the reasons why most of these customers’ especially low income earners transact business with the banks is the nearness of the banks to the customers (Adegbaju, and Ookoyo ,2008).

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Bank Reforms and Financial Security

Apart from the operational defects identified with some of the reforms, some inadequacies also border on the financial security of the bank users. One of the essences of keeping money in a bank is to ensure safe keeping of funds, but regrettably, this function became unrealistic, as a result of some reform policies like the merger, and the increase of capital base to twenty-five billion naira. This, however, has turned out to be the opposite as most post-merger results tend to highlight that consolidation has not improved banks performance (Enems Microsystems, 2016). Banks who could not successfully achieve the terms of the reform policy stopped operation, while some folded up. Abati (2006) submitted that the biggest losers in the banking consolidation was the human element especially depositors in the liquidated banks. Hence the savings and shares of users of those banks all went down the drain. A large number of the affected persons never recovered from the losses incurred. Also, the closure of some of the branches after the merger reduced the networking of banking services to people in terms of nearness and availability.

According to Abdullahi (2007), banking sector reforms and its sub-component, bank consolidation, has resulted from deliberate policy response to correct perceived or impending banking sector crises and subsequent failures. A banking crisis can be triggered by the preponderance of weak banks characterized by persistent illiquidity, insolvency, under capitalization, high level of non□performing loans and weak corporate governance, among others (Uchendu 2005)

The introduction of technological innovation as part of the reforms to enhance performance did not also leave behind its negativities. An example is the level of effectiveness of the Automated Teller Machine (ATM). Bank users have been found in situations where the ATM machines run out of cash at non-banking hours, which leaves the bank users stranded and incapacitated by the abnormality at such periods in order to meet their either speculative or precautionary motives. Thus, customers are not assured of getting their money at every attempt at withdrawal. The feeble effects of these reforms identified so far have posed a threat to the financial security that bank users are supposed to enjoy. Based on the aforementioned review of existing literature on the effect of bank reforms on bank users, it has been observed that the relationship between these bank reforms and human social security of bank users; especially average income users, most of whom constitute a large percentage of the Nigerian society, be established.

Bank Reform and Social Financial Security

The grand objective in the banking sector reforms was to re-engineer and fast-track a system that will engender confidence and power a new economy (Adegbaju and Olokoyo, 2008), and the essence of banking consolidation is to reposition the nation's banking industry for global competitiveness and also to ensure a strong and reliable banking sector that will guarantee the safety of the depositors' money (Soludo, 2014) and provide financial aid or cheap credit for small and medium-scale enterprises (SMEs). Hence, the effort of bank reforms to the customers (average income earners) has made financial transactions easier and more secured to some extent due to the strategic way of reforming banking the sector over the years.

Fadare (2010) assert that recent endogenous growth theory suggest that a strong banking sector promotes economic growth and holds that policy measures can have an impact on the long-run growth rate of an economy. Buttressing his point, he cited Schumpeter (1934) argument that the banking sector plays a crucial role in the market in channeling finance and investment to productive agents within the economy and thus acts as a catalyst of economic growth.

However, Soludo (2014), also outlined some contributions of bank reforms in “Strategic Agenda of the Naira” thus, improved transparency and corporate governance, zero tolerance to misreporting and data rendition, and strict adherence to the Anti-money laundering regulations; payments system reforms for efficiency especially the e-payment and among others. The reform has ushered in ATMs, plastic cards, telephone banking, online banking and now mobile banking which serve as a direct channel of interacting with your bank, and without appearing physically in the bank. Mobile banking or e-payment enhances smooth running of financial transaction among various bank users.

For instance, in rural areas or some places where bank cannot be sited or due to bank distance, retail banking can operate there and facilitates financial transaction with the use of Point of Sale (POS), internet and ATM card so that customers especially average income earner can access their funds. So, the use of ATMs, POS terminals, Internet and mobile phone platforms have accelerated and moved closer to branchless banking. This reduces stress, risks of accident and time consuming of the bank users. The advent of Bank Verification Number (BVN) scheme has made difficult for fraudster and exposes looters of public fund. With this, bank users' funds are protected if only they did not disclose the BVN information to third party. This pragmatic bank reforms have restored confidence to the bank users and increased bank credibility (Essien, 2012).

Theoretical Explanation

Robert Merton intended and unintended Purposive Social Action postulate and Social Constructivism theories were engaged for the study. Robert Merton in his intended and unintended Purposive Social Action which was developed in 1936 stated that social function has both manifest and latent function (Elwell, 2009). He explained manifest functions as those effects that our social actions have which are familiar, planned and generally recognized. Latent functions are the unintended effects of our social pattern, which are unfamiliar, unplanned and widely overlooked (Macionis, 2012). Merton observed that consequences which are favorable or functional for one institution or system may be unfavorable for another. Hence, he developed the concept of dysfunction (Ritzer, 2011). Using this postulate, the theory argued that governmental position is to protect the sector from moving the economy forward through the introduction of the reforms. Thus most of the reforms were made in line with creating and making wealth for the nation with negligible attention to the welfare of the citizen that it was provided for. The theory posit that government intention on the bank institution in the country is to strengthening the capacity base and curb fraudulent activities in the banking sector but this has led to unintended consequences, which has caused unwholesome utilization of the banking system to the bank users.

Social constructivism theory of Lev Vygotsky of 1978 argued that all cognitive functions originate in, and must therefore be explained as products of social interactions. According to Vygotsky (1978, 57), see knowledge as actively constructed by learners in response to interactions with environmental stimuli. The theory believed that social reality construction is based on personal experiences and the continual testing of hypotheses. Each person has a different interpretation and construction of knowledge process, based on past experiences and cultural factors. Learning is more than the assimilation of new knowledge by learners; it was the process by which learners were integrated into a knowledge community. The theory affirmed that an individual bank user construct bank reform process in Nigeria not translating to protecting their right and making them subservient to the banking sector overtime. This has allowed an average bank user to adopt lack of confidence in the banking relationships. The theory categorical state that despite the unending bank reform process in the country, most bank users has adopted a new idea of banking their money through inconspicuous and unconventional financial institution due to unwholesome utilization of the banking system in the country.

Theoretical Synthesis

Intended and unintended purposive social action theory affirmed that due to governmental laxity toward improving financial transaction in the banking sector among bank users, there has emerged unplanned challenges, which is conspicuously manifested in the financial transaction attitude of the users towards banking institution in the country while social constructivism theory argued that a bank users ability to decide freely, innovate or deviate from prevailing norms regarding her bank transactions in the country is being social constructed through connected and homogeneous networks in the society.

Methodology

The study was carried out in Ede South Local Government Area of Osun State and Alimosho Local Government Area of Lagos State, Nigeria. The study employed mixed-method research design. Primary data were collected through the administration of questionnaire, and conduct of in-depth interview (IDI). Three wards were randomly selected from each of the study area

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through multistage sampling techniques, totaling six wards (Ede: Babanla/Agate, Bakuye and AlajueI; Alimosho: Egbeda/Alimosho, Abule-Egba/Meiran/Aboru/Alagbado and Ipaja South) because of presence of banking institution and large human population in the area. Due to absence of a sampling frame, 50 respondents were selected using cluster random sampling from each of the wards within the LGA based on their occupations (farmers, traders, civil servants and students), for equal representation, making a total of 300 respondents. For the in-depth interview sessions, one bank officer (Principal officers in-charge of banking matters) and one bank customers (who has been using banking systems since 10years) were selected from each of the wards using purposive (with snowball) sampling technique based on their knowledge and experience of the banking system in Nigeria, giving a total number of 12 interviewees. Data collected were analysed using simple frequency tables, simple percentages and content analysis.

Analysis and Discussion of Findings

Socio-demographic Characteristics

Table 1: Socio-demographic Characteristics

Variable	Frequency	Percentage	Variable	Frequency	Percentage
Sex			Customer's Bank Name		
Male	104	51.0	UBA		
Female	100	49.0	First bank	39	19.1
Total	204	100.0	Access	25	12.3
Occupation			bank	15	7.4
Farmer	13	6.4	GTB	58	28.4
Student	54	26.5	Zenith	7	3.4
Civil servant	66	32.4	WEMA	9	4.4
Trader	9	4.4	ECO	16	7.8
Self-employed	62	30.4	Bank	4	2.0
Total	204	100.0	Skye	14	6.9
Location			Sterling	5	2.5
Ede- Osun	147	72.1	Diamond	4	2.0
Alimosho-Lagos	57	27.9	Heritage	8	4.0
Total	204	100.0	Unity	204	100.0
			Total		

Source: Fieldwork

The table above showed that 51% of the respondents were male while 49% were female. For occupation, higher numbers of the respondents 32.4 % were civil servants, 30.4 % of the respondents were self employed, 26.5% of the respondents were students,6.4% of the respondents were farmers while fewer numbers of the respondents were traders in the study area. For the respondents bank, higher number of the respondents, 28.4% did their banking transaction with GTB bank, 19.1% of the respondents did their banking transaction with UBA bank, 12.3% of the respondents did their banking transaction with first bank while a smaller percentage did their banking transaction with other banks such as, ECO, Access, Sterling and Zenith banks in the study area.

Evolution of Banking System before the Era of ICT advancement

Table 2: Evolution of banking system before the Era of ICT advancement

Variable	Response	Frequency	Percentage
Individual rating the performance of the banks before the introduction of ATM	Satisfactory	27	13.2
	Good	47	23.0
	Average	63	30.9
	Fair	46	22.5
	Poor	21	10.3
	Total	204	100.0
Preference for the old banking system	Yes	15	7.4
	No	189	92.6
	Total	204	100.0

Source: Fieldwork

The table 2 above showed that higher number of the respondents, 30.9% reported that bank performance before the introduction of ATM was average, 23% of the respondents reported that bank performance before the introduction of ATM was good , 22.5% of the respondents reported that bank performance before the introduction of ATM was fair, 13.2% of the respondents reported that bank performance before the introduction of ATM was satisfactory while 10.3% of the respondents that bank performance before the introduction of ATM was poor in the study area. Majority of the respondents, 92% reported that they did not preferred old banking system while 7.4% of the respondents reported that they preferred old banking system in the study area.

The finding showed that considerate number of respondents believed that bank performance before the introduction of ATM was relatively commendable and despite the shortcoming of banking operation, people still preferred the current banking system than the old system. This was supported by Ajayi and Sosan (2013) that since the emergence of banking operation in Nigeria, many factors have impacted on the banking system. This was equally validated from the interviews findings that the new banking system was much better than the old banking system and supported by an interviewee assertion, that the new banking system is relatively better than the old banking system only in the area of online banking approach. Despite all the banking reform introduced in the country, it has not really addressed the financial transaction of bank users in recent times (IDI/Female/24years/students/Lagos). Besides, current banking system as stated by one of the bank official, make the customer spends lesser time and the banking operation is digitally better:

> *"…banking system before the new era is carried out and operated manually and if a customer wants to lodge complaint, you have to do it manually by coming to the bank yourself. Then they give you form to fill before such issues are resolved. Thus, the way banking operations are processed was longer then. Now you can carry out so any operations within a short period of time. Customers spend lesser time in bank now because there is new approach to make banking operation faster. So the current system of operation which is digital is better by far (IDI/Male/32years/Bank marketing Officer/ Ede).*

Aside from the preference for current banking system due to its digital operational process, it was revealed by one of the bank official, that its mobile banking service has been one of the major attractions for the bank users in recent times: Prior to introduction of ATM, you can only get your money from banks you registered with. Also, you can only get the money from the specific branch. For instance, you registered with a branch in Lagos and you are in Kano to withdraw or complain, you will be referred back to the branch in Lagos. This is one major problem that people encountered during the old banking system. Also, there is nothing like bank alert. You have to reach your bank to know your money has been credited or not. Current banking systems have done much better than previous banking system. Now, you can manage your account by yourself, in terms of good relations with customer, better customer services,etc(IDI/Female/35years/bank Offical/ Lagos). In contrast, it was believed that despite its evolution banks to the modern technology, service delivery of these banks in Nigeria to its customers is still below expectation:

> *"….Bank system in the olden days has its own advantages but the present banking system is better in term of technology advancement but the service delivery is still poor(IDI/Male/27years/Student/Ede).*

Prevailing Challenges of Bank Reforms towards Financial Transaction on of bank users

Table 3: Prevailing Challenges of Bank Reforms towards Financial Transaction on of bank users

Variable	Response	Frequency	Percentage
Bank reform has addressed the problems faced by bank users	Yes	68	33.3
	No	136	66.7
	Total	204	100.0
Effect of bank merger on the level of financial transaction with individual bank	Yes	75	36.8
	No	129	63.2
	Total	204	100.0
Bank users experienced challenging issue with any of the bank reform procedure	Yes	151	76 .0
	No	53	26.0
	Total	204	100.0

Source: Fieldwork

The table 3 above showed that majority of the respondents, 66.7% reported that bank reform introduced by the successive government has not addressed the problem faced by bank users while 33.3% of the respondents reported that bank reform had addressed the problem faced by bank users in the study area. Majority of the respondents,63.2% reported that merger of bank in the contemporary Nigeria had not significantly influenced the level of financial transaction of bank users while 36% of the respondents reported that merger of bank in the contemporary Nigeria had significantly influenced level of financial transaction of bank users in the study area. Majority of the respondents 76% reported that bank users had experienced challenging issue with any of the bank reform procedure while 26% of the respondents reported that bank users had experienced challenging issue with any of the bank reform procedure in the study area.

Moreso, the finding showed that bank reform such as, bank merger, e-banking and cashless transaction introduced by successive government in Nigeria has not really addressed financial transaction of bank users. The findings showed that bank users are conspicuously experiencing challenges with many of the bank reforms procedure, which has not enhanced their financial transaction with their banks. This is line with Oluduro (2015) findings, that bank experienced distress caused by bad loans, and advances and owners direct intervention in the banks, most of which ended up being bad debts and later resulted in undercapitalization. This is equally supported by the interviews assertion that prevailing challenges of bank reforms towards financial transaction of bank users were enormous and is not healthy for the banking system in the country, which is still persistence despite all the reforms introduced by successive government to improve the banking operation in the country:

> "*…I think most customers are faced with inability to adapt to technology advancement introduced in the reform processing. Customers are afraid of online banking because they believe they can be scammed. Also, customers often complained about the long queue in the bank. Similarly, failure of ATM to dispense as when you need it to dispense cash is one of the challenges (IDI/Female/35years/Bank Official/Lagos).*

> *"…Current banking system has not changed much, although people still complain but it is lesser now than the former system. Like before I may meet multitude of people in the bank but now I can decide that I am going to another bank to use another bank. But before you can only withdrawal in your bank, but now you can use the ATM anytime (IDI/Male/38years/Teacher/Lagos).*

Besides, it was conspicuously in the current banking operation in the country that ATM debit error, network failure and poor customer relation were some of the major challenges that affected free-flow financial transaction of bank users. According to an interviewee, that successive reform introduced by the banking management in the country has not lived up to the expectations of bank users especially low income earners: ATM as part of the reform came along with its challenges such as, failure to dispense cash, network failure, the ATM debit, when you do not receive the cash. Also, the customer services charges are expensive and they do not response to customer on time (IDI/Male/30years/Married/ Agricultural products seller/Ede). This is also supported further by an interviewee:

> *"…Bank reforms introduced in recent times has been both positive and negative on the service delivery to the bank users. For instance, despite the reform, there is challenges of ATM dispensing error, long queue in the banking hall, identity theft and poor bank-customer relations which has untold effect on the bank users. Also, continuous reforms have not allows these banks to really live up to the expectations of the bank users. We still have issue of fraud being perpetrated by the bank official despite all the security put in place which has overtime endangered the low income earners' deposit. For example, Skye bank take over by the CBN in recent time to the bank from bankrupt (IDI/Male/27years/Student/Ede).*

Ways Bank Reforms have infringed on Financial Security of Bank Users

Table 4: Ways bank reforms have infringed on financial security of bank users

Variable	Response	Frequency	Percentage
Loss of any fund(s) due to bank reform policy or Process	Yes	156	76.5
	No	48	23.5
	Total	204	100.0
Bank users always get your money at every attempt at withdrawal from the ATM	Yes	111	54.4
	No	93	45.6
	Total	204	100.0
Have your money ever be deducted in error	Yes	104	51.0
	No	100	49.0
	Total	204	100.0

Source: Fieldwork

The table 4above showed that majority of the respondents, 76.5% reported that they have lost some funds due the bank reform policy while 23.5% of the respondents reported that they have not lost some funds due the bank reform policy in the study area. Higher number of the respondents, 54.4% reported that bank users did not always gets their money at every attempt of withdrawal from the ATM while 3% of the respondents reported that bank users always get their money at every attempt of withdrawal from the ATM in the study area. Higher number of the respondents, 51% reported that their money had been deducted in error when making financial transaction through their bank while 49% revealed that reported that their money had been deducted in error when making financial transaction through their bank in the study area.

Moreso, the findings showed that bank users they have lost some of their bank deposit, have limited access to their money at every attempt of withdrawal from the ATM and their money had been deducted in error when making financial transaction through their bank due to bank reform policy introduced by successive government in Nigeria, which has in one way or the other infringed on financial security of the bank users. This is further corroborated by Abati(20060 findings, that the biggest losers in the banking consolidation was the human element especially depositors in the liquidated banks. He pointed out further that the savings and shares of users of those banks all went down the drain. This is equality validate by the interviews findings that most of the contemporary banks in this country have mismanaged the bank user's information filled during opening of account in those banks.

For instance, as stated by an interviewee, there has been unsolicited message from some suspecting individual asking for bank users to update their account, in which numbers of people have fall victims of these fraudulent activities. I believed all this was possible from these so called fraudsters through some dubious bank official in charge of our bank profile. Example of these was a fraudulent SMS message sent to the interviewee from unconfirmed number thus: *from +2349062313291, "Dear customer, due to our BVN system upgrade your ATM CARD has been deactivated, To Reactivate kindly call MR BEN BELLO on 08137281516 from bank."* Also all the bank reform made has all always been in favour of the elite bank users with minimal consideration and protection for the low-income earners in the country. All these are a violation on customers' financial security(IDI/Female/24years/students/Lagos).This is corroborated further by an interviewee thus:

> *"…Bank Customers had lost a lot of money through unending bank reform which has not been of favourable to low-income earners. Most of the reform does not provide appropriate protection for low income earners when bank goes bankrupt in the country (IDI/Male/30years/ Agricultural products seller /Ede).*

It was discovered that infringement on financial security of bank users through bank reforms in recent times ranges from unsolicited message, which some of the bank customers have been exposed to, lost of their money through fraudulent means and bank staff attitude towards their customers when in need of information concerning their financial status. Although there were mechanisms put in place to alleviate these infringements and protect the financial transaction of their customers, but all these mechanisms are still subjected to improvement:

> *"…Unsolicited text message asking for customer pin card number and unexpected merger of the banks without informing the bank users of such merger and attitude of the bank staffs to the customers have really infringed on financial security of bank users especially the low income earners (IDI/Male/27years/Student/Ede).*

> *"…Banks ensure they meet the needs or complaints of their customers. Also, we have something called token now for online transactions. It generates pin that you enter whenever you want to do online transaction. It is design to curb the issue of online fraud. These are some of the way we ensure safety of customers' money. We also try our human best to meet the need of our customers (IDI/Male/32years/Bank marketing Officer/ Ede).*

Bank reform effort in Nigeria towards social and financial security of bank users

Table 5: Bank reform effort in Nigeria towards social and financial security of bank users

Variable	Response	N	%	Variable	Response	N	%
I do not have to walk into the banking hall to perform my transactions except when necessary	Strongly Agreed	6	2.9	Using e-banking services enable me to accomplish my banking activities easily and more quickly	Strongly agree	3	1.5
	Agreed	68	33.3		Agree	11	5.4
	Undecided	3.	1.5		Undecided	3	1.5
	Disagree	11	5.4		Disagree	9.6	47.1
	Strongly disagreed	116	56.9		Strongly disagree	91	44.6
	Total	204	100.0		Total	204	100.0

Source: Fieldwork

The table 5 above showed that majority of the respondents, 56.9% strongly disagreed that they do not have to walk into the banking hall to perform financial transactions except when necessary 33.3% of the respondents agreed, 5.4% of the respondent agreed, 2.9% of the respondents strongly agreed while 1.5% of the respondents were undecided that they do not have to walk into the banking hall to perform financial transactions except when necessary in the study area. Higher number of the respondents, 47.1% disagreed that using e-banking services enable me to accomplish my banking activities easily and more quickly, 44.6% of the respondents strongly disagreed, 5.4% of the respondent agreed, 1.5% of the respondents strongly agreed while 1.5% of the respondents were undecided that using e-banking services enable me to accomplish my banking activities easily and more quickly in the study area.

The findings showed that despite the bank reform effort in Nigeria, most bank users still have to walk into the banking hall to perform financial transactions and emergence of e-banking services that should have allowed bank users accomplished their banking activities easily and more quickly, have been plague with customer’s apathy towards online banking. This is in contrast with Soludo (2014) findings, that mobile banking and e-payment enhances smooth running of financial transaction among various bank users. This is equally validated by interviewee findings, according to a bank customer, e-banking has really helped customers to move large amount of money around. It makes thing faster and easier for both the customers and the bankers. Although it has its own shortcoming too, the bank reform has not really provided enough solution to financial transaction among bank users especially with the online banking where innocent bank users were defrauded of large amount of money without any means or help form the bank in getting the money bank(IDI/Male/30years/ Agricultural products seller /Ede).This is supported further by another bank customer that:

> *"…I will say partially, the reform is improving the banking services. I told you that if I go to first bank now, the machines may say temporary service meanwhile if you want to withdraw less than 100 thousand; they will say you should use the ATM, but the ATM will not work properly. In the former system, there is nothing like that you can withdraw from the counter. So the reforms have both negative and positive effects (IDI/Male/38years/Teacher/Lagos).*

Notwithstanding, not only has bank reform failed to live up to its expectation, it has also contributed more to the unemployment situation in the country due to unexpected laid off staff and increased in financial crime. Despite all the efforts in making financial transaction among bank users easy and accessible, many customers still show lack of interest in e-banking and banking modernization because of the fear of losing their money:

> *"…Due to the merger of banks in the country in recent times, most staff of the affected banks were reduced and laid off without appropriate compensation, which has added to the unemployment situation in the country and financial crime. Since some of these workers were once in charge of the bank users profile and bank details, it make it easier for them to partner with identity thieves to defraud innocent bank users in the country .The bank reform was suppose to make financial transaction more accessible to the bank users but instead it has made it more complicated for the users (IDI/Female/24years/students/Lagos).*

> *"…You see the bank and the CBN carry out surveys before they introduce these reforms. Every reform that is introduced is meant to fix a gap that has been identified. They are to improve services even if we might not get to adapt easily to them. For instance, the introduction of e-banking in Nigeria has made banking operation easy for customers and the bank too. It has reduced the workload bank and brought convenience to customers' financial transaction with their bank. But many customers still show lack of interest in e-banking because they are not*

> *sensitized. People still have the fear of losing their money. We try to create awareness to bank users that they should not divulge their bank information to the third party (IDI/Male/32years/Bank marketing Officer/ Ede).*

Discussion of findings

This section provides further discussion on the study findings above. It synchronises the findings with related empirical findings of other research works on the subject matter of this study. However, it attests to the point of divergence between the findings of this study and other empirical outcomes. As observed in the findings that considerate number of respondents believed that bank performance before the introduction of ATM was relatively commendable and despite the shortcoming of banking operation, people still preferred the current banking system than the old system. This was supported by Ajayi and Sosan (2013) that since the emergence of banking operation in Nigeria, many factors have impacted on the banking system.

Most remarkably, the finding showed that bank reform such as, bank merger, e-banking and cashless transaction introduced by successive government in Nigeria has not really addressed financial transaction of bank users. The findings showed that bank users are conspicuously experiencing challenges with many of the bank reforms procedure, which has not enhanced their financial transaction with their banks. This is line with Oluduro (2015) findings, that bank experienced distress caused by bad loans, and advances and owners direct intervention in the banks, most of which ended up being bad debts and later resulted in undercapitalization.

Furthermore, the findings showed that bank users they have lost some of their bank deposit, have limited access to their money at every attempt of withdrawal from the ATM and their money had been deducted in error when making financial transaction through their bank due to bank reform policy introduced by successive government in Nigeria, which has in one way or the other infringed on financial security of the bank users. This is further corroborated by Abati (2006) findings, that the biggest losers in the banking consolidation was the human element especially depositors in the liquidated banks.

The findings showed that despite the bank reform effort in Nigeria, most bank users still have to walk into the banking hall to perform financial transactions and emergence of e-banking services that should have allowed bank users accomplished their banking activities easily and more quickly, have been plague with customer's apathy towards online banking. This is in contrast with Soludo (2014) findings, that mobile banking and e-payment enhances smooth running of financial transaction among various bank users. However, the responses to these challenges in each system to a large extent determine the effectiveness of the systems in Bank Reform and Human Social Security of Bank Users in Nigeria.

Conclusion and Recommendations

This paper affirmed that evolution of banking into a digitalized system in Nigeria is perceived by most bank users as a welcomed development due to some of the new introductions, which are aimed at changing the mode of banking operations in the country. While the evolution has brought some growth in banking infrastructures, revelations from bank users have shown some challenges such as failure to dispense cash, debit error and indiscriminate charges are the major issues bank users, most of whom are low income earners face in their day to day banking experiences. The efforts of these reforms towards social and financial security of bank users has failed to achieve a major result, as most bank users are still mandated to visit the banking hall in order to successfully carry out banking transactions. Hence, it was affirmed that much is still required to be done toward ensuring the social and financial security of bank users in Nigeria.

In essence, one of the ways to achieve this is by ensuring that human capacity is built and upgraded through human social security with new challenges and opportunities in mind, as well as, closer collaboration among the stakeholders (Bank Users) in the system to enhance synergy and policy coordination. Nigeria has the opportunity to achieve a sustainable economic transformation through the banking sector in line with vision 20:2020 policies. And, banking sector occupies a vital position in the economy and must be subject to continuous reforms for it to function efficiently. The modest achievements recorded so far have been largely due to greatest collaboration and commitment of purpose among key stakeholders (Bank Users). Thus, the Apex Bank (CBN) in its effort to develop a sound and vibrant banking system should strive to ensure that democratization of policy is sustained. It should also continue to ensure that the banks abide strictly with the code of corporate governance for efficient and functioning of the banking industry in Nigeria.

The banking sector reforms in Nigeria were established on the understanding that globally, size matters in the banking business, particularly given trends in internationalization of finance and the pressures of globalization and the global financial crisis. The desire to create capable global players with local roots in the Nigerian banking sector was a strong motivation for the reforms. In a number of ways, the reforms have made several benefits, as some Nigerian banks have been enlisted into the first 100 banks worldwide. Implementing the reforms faced strong challenges, at first from those whose entrenched interests left them fighting for long held privileges. Other challenges include those involve with banks operation like problems of the system integration, computer failure, power failure, crash programmes and policy differences.

However, this paper concluded and suggest the following recommendations, they are:

a) Banking sector operators should endeavour to take into cognizance the various categories of bank users in the society; literate, non-literate, young and old among many others, when making policies or developing infrastructures to reform the banking sector as well as bank users experiences;
b) government at all level should interfere to solve the problem of unemployment believed to have been caused by the consolidation exercise. This is because despite the advantage of these policies toward the smooth running of the economy, unemployment is also a threat to it;
c) There is the need for the consideration of uneducated and aged banking population, so as to make policies and devices that will be friendly to them, as opposed to what currently operates in the Nigerian banking system. Devices such as those that will only require the thumb print verification for users can be adopted to ease banking operations in place of current devices that require users to keep and remember pins, which also puts them at risk

of invasion or impersonation by a fraudulent third party, once he or she gains access to the bank users' profile or card pin.

d) regulatory bodies should put in place periodically to monitor and to ensure compliance with code of corporate governance by banks, as well as, stress test on banks by the CBN should be more frequent and periodic; and

e) there is the need for the recapitalized banks to maintain uniform exercise and polices, and integrate their system to help them resolve the operational problems.

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