Effect of Recapitalization on the Growth of Deposit Money Banks in Nigeria

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Abstract
The study empirically examined effect of recapitalization on the growth of deposit money banks in Nigeria. The specific objectives were; to examine the impact of liquidity on the growth of deposit money banks in Nigeria, to examine the effect of total deposit on the growth of deposit money banks in Nigeria, to investigate the contributions of bank total asset on the growth of deposit money banks in Nigeria. Secondary sources of data was employed in this study, and ordinary/east square (OLS) of multiple regression statistical tool was adopted, to establish the effect of explanatory on dependent variable. Based on the analysis, the findings revealed thus; bank total asset had a significant impact on the growth of deposit money banks, total deposit had a positive money banks, and liquidity had a positive impact on the growth of deposit money banks. The study recommended that CBN must remain resolved and focused on the implementation of its statutory requirement so as to guide against distress in the banking sector.

Keyword: *Liquidity, Deposit money banks, Total deposits, Total assets, Recapitalization.*

1.0 Introduction

Banking reforms has been an on-going phenomena around the world since the 1980's. The phenomena have become more pronounced in recent times, because of the impact of globalization which has caused continuous integration of the world market and economies. Banking reforms consist of several elements that are unique to each country based on history. In Nigeria, for instance the reforms in the banking sector took place as a result of banking crises which is characterized by high under capitalization, poor deposit mobilization by banks, weakness in the regulatory and supervisory framework, weak management practices and corporate governance of banks. A banking crisis can be seen by weakness in banking system characterized by persistent illiquidity, insolvency. Undercapitalization, high level of non-performing loans and weak corporate governance among others. Also, a highly open economy like Nigeria with weak financial infrastructure can be vulnerable to banking crises emanating from other countries (Ajayi, 2005). Banking crises usually start from the inability of the banks to meet its financial obligations to its stakeholders. This, in most cases precipate runs on banks. The banks and their customers engage in massive credit recalls and withdrawals which sometimes necessitate central bank of Nigeria to lend liquidity support to the affected banks. By doing this, the central bank had established a policy reform to checkmate these circumstances affecting the banking system. With the exception of central bank, it had been established that the banking system play some fundamental roles in the growth and development of the economy. These roles vary from one country to another, depending on the economic, political and legal system within which the banks operate. Banks and other financial institutions perform intermediary role generally through the mobilization of resources from surplus units and channeling same to the deficit units for productive activities which thus ensures an efficient resources allocation and utilization. This is the most important functions of banks, especially in a developing economy like Nigeria. Also banks constitute a useful channel through which the effects of monetary policy are transmitted into the rest of the economy.

However, the effective performance of these roles and policy sometimes act as drawback or obstacles on the achievement of profit maximizing objectives of the banks, as it imposes limitations of what aspect of the business should receive attention mostly and how these aspect can be carried out hence; banks have to consider profit motive alongside these fundamental socio-economic roles and policy. The country (Nigeria) has also witnessed a very scandalous past in the banking industry, taking the most recent for instance, no fewer than thirty six (36) banks in the economy closed up due to insolvency. These failed banks had two major things in common. These include small size and unethical practices. The factor that is most responsible for all these problems are the absence of good management of the bank, effective and efficient regulatory environment. (Soludo, 2004). The return of Nigeria to democratic rule in 1999 ushered in an era of systematic reforms in every sector of the economy with the common goal of putting the country on the path of a sustainable economic growth and development.

According to Soludo (2004), the Nigerian banking system today is fragile and marginal. The system faces enormous challenges which if not addressed urgently, could snowball into cries in the near future. He identifies the problems of the banks especially those seen as feeble with persistent illiquidity, unprofitable operations and poor asset base. In solving these challenges, he outlined a 13 point reform agenda in which recapitalization is the first phase of the apex bank reform programmes for the banking sector. The key element of which is the requirements that the banks should raise up their capital base to a minimum of N25 billion with full compliance by 31st December, 2005. The central bank of Nigeria (CBN) governor also strongly recommended mergers and acquisitions as an instrument for ensuring banking soundness. He also encouraged industry players to consider it as one of the preferred option in the race to meet N25 billion benchmark. After some mutual reaction which was expected, given that the minimum capital requirement then was just N2 billion. To meet the new requirement, several banks adopted various combination strategies to achieve their goals at the end of the 18 (eighteen) months considerably with the emergence of the 25 (twenty five) relative bigger banks. The central bank of Nigeria (CBN) in a press conference released on January 3, 2006, published the list of the 25 (twenty five) banks that had succeeded in Recapitalization (Soludo, 2004) and other banks that were not able to meet the deadline.

In the banking system, there is a need for customers to withdraw their money deposited in their respective banks. The inability of banks to perform the obligation of making available of their customer's fund when needed could cause panic and possibly loss of public confidence. These challenges could lead to loss of trust and confidence in the society and massive withdrawal of depositors' money from the affected banks to the healthy ones which could subsequently lead to bank distress and failure. In addition, lack of adequate capital in the banking system affects the bank itself and the economy in respect to absorbing losses and its ability to attract funds at low cost and lending the funds to the real sectors as well as the investors. These would hinder the performance of the small and medium scale industries that serves as the engine of growth and development to the economy. The successful completion of the recapitalization programme has however thrown up vital questions as well as challenges for stakeholders in the industry which must be answered and overcome convincingly. Hence, if the desired effect on the economy is not achieved this will lead to poor performance in the banking industry.

2.0 Literature Review

2.1 Theoretical framework

Theories on recapitalization propounded by various scholars are:

a. Pro-concentration theories

Proponents of banking sector concentration argue that economies of scale drive bank mergers and acquisition (increasing concentration) so that increased concentration goes hand-in-hand with efficiency improvements. (Demirgue-kunt and Levine, 2000). This is partly because reduced concentration in a banking market results in increased competition among banks. Proponents of this "concentration-stability" view argue that larger banks can diversify better so that banking systems characterized by a few large banks will tend to be less fragile than banking system with many small banks. Concentrated banking system may also enhance profits and therefore lower bank fragility. High profits provide a buffer against adverse shocks and increase the franchise value of the bank, reducing incentives for bankers to take excessive risk. Furthermore, a few large banks are easier to monitor than many small banks, so that corporate control of banks will be more effective in a concentrated banking system.

b. Pro De-concentration theories

This theory indicates that bank consolidation tends to increase the risk of bank portfolios. Proponents of banking sector de-concentration also argue that concentration will intensify market power and political influence of financial conglomerates, reduce efficiency and destabilize financial system as banks become too big to discipline and use their influence to shape banking regulation and policies. While excessive competition may create an unstable banking environment, insufficient competition and contestability in the banking sector may breed inefficiencies.

In concentrated banking systems, bigger, political connected banks may become more leveraged and take on greater risk since they can rely on policy makers for help when adverse shocks hurt their solvency or profitability. Similarly, large, politically influential banks may help shape the policies and regulations influencing banks' activities in ways that help banks, but not necessarily in ways that help the overall economy.

c. Supply-Leading Theory:

In this theory, the premise underlying the proposition that financial liberation (a major component of financial development) promotes growth is fairly straight forward. Given that investment is a primary determinant (factory) of growth, for investment to take place, firms (investors) and savers must be given incentives. Moreover, saving have to be channelled to investors. Financial liberalized, (financial development) ensures that this takes place efficiently (efficient financial intermediation). As interest rates rise, the quality of investments is enhanced, since financial repression is often associated with mediocre quality investments. In addition, investment (quantity) rises, since higher deposit rates increase the supply of funds.

In this supply-led theory, finance was considered a means to induce innovation, as a form of input. For example it conveyed the idea that economic growth and development could be encouraged through interventions in the financial system by supplying finance in advance of demand. These supply-leading financial theories came to dominate rural finance for several decades.

2.2 Conceptual framework

According to Sloan and Arnold (1970) consolidation is a fusion of the assets and liabilities. Consolidation represents the idea of investment and the coming together of firms, it can also mean larger sizes, larger shareholder bases and larger number of depositors. Consolidation in the banking industry is usually achieved through banking reforms. Reforms are predicated upon the need for reorientation and repositioning of an existing status quo in order to attain an effective and efficient state. There could be fundamental bottle-neck that may inhibit the functioning of the institutions for growth and achievement of core objectives in the drive towards enhancing and sustaining the economic and social imperatives of human endeavour carried out through either government institutions or private enterprises. Reforms become inevitable in the light of the global dynamic exigencies. (Oboh, 2005)

According to Ekundayo (1994), banks in the world and in Nigeria in particular failed as a result of inadequate capital base, mismanagement of funds, overtrading, lack of regulation and control and probably unfair competition from the foreign banks. Thus recapitalization is one of the banking reforms to tackle these problems. Recapitalization of banks is one of the reforms that help to improve the health of banking industry when the industry is unhealthy (Onaolapo, 2008). However, the CBN brought into force the risk weighted measure of capital adequacy recommended by the Basle Committee of the bank for international settlement in (BASEL) 1990 contrary to the initial measure of adjusted capital to total loans and advances outstanding (Adegbaju, 2008).

2.2.1 Consolidation strategy and emergence of Mega Bank

Soludo (2004) said that “the sole objective of banking sector reform is to move the economy forward and to proactively position the banking system to be a sound reliable catalyst of development”. Otanngaron (2004) observed that “a survey of top 75 (Seventy-five) banks indicate that the banks as at March 2003 have a total capitalization of N94.4 billion while shareholders’ funds stood at N298 billion”. According to the survey, the top 75 banks represent 84% of the 89 banks in operation. The survey showed that the banks need additional N1.8 trillion which represents 94.7% of the total N1.9 trillion that the 75 banks require to recapitalize while the total 89 banks will require N2.1 trillion. The significant amount needed was 6% higher than the Nigeria stock exchange (NSE) capitalization, which stood at N1.98 trillion as at 2004, which makes raising the capital less feasible in less than 18 months. What this implies is that the Nigeria banks have little or no option than to embrace mergers and acquisition or strategic alliance to remain in business. Other option employed by the banks includes:

1. Injection of fresh capital through initial public offers, private placement and right issue.
2. Conversion of reserve to capital
3. Merger between banks of like minds
4. Outright acquisitions by bigger stronger banks of weak banks.
5. Combination of two or more of the above strategies

2.2.2: The Nigeria banking industry before the recapitalization structure

The Nigeria banking industry was made up of the central bank of Nigeria (CBN) the apex bank, eighty nine main-stream deposit money banks (DMBs) with 3,348 branches spread across the country as at June, 2004. In addition, there were 774 community banks eighty one (81) primary mortgage institutions and six (6) development banks to take care of small depositors. Structurally, the Nigeria banking industry was oligopolistic in nature with ten banks accounting for 53 percent of total asset, 54.3 percent of total deposits liabilities, 44.2 percent of total credit and 35.1% percent of capital and reserve (Central Bank of Nigeria, 2004). The DMBs were the major players in the money market with growth in the bank’s investment on the performance of the economy. The operations of the DMBs were guided by the Central Bank of Nigeria (CBN) monetary policy objective (Soludo, 2004).

2.2.3: Overall health of the banking Industry

As at March 2004, the Central Bank of Nigeria (CBN) overall rating of the health of eighty nine (89) banks classified sixty two (62) as sound or satisfactory, sixteen (16) were classified as marginal and eleven (11) were said to be unsound, two of the banks were not classified because they did not render any return during the period. The weakness of some of the unsound banks could be seen in their overdrawn position with the central bank of Nigeria (CBN), high incidence of non-performance loan, capital differences, weak management and corporate governance. Critical analysis of the returns of the marginal and unsound banks revealed they accounted for 19.2 percent of total assets of the banking system, 17.2 percent of total deposits liabilities, while the industry non-performing assets accounted for 19.5 percent. According to central bank of Nigeria (CBN) these ratios except that for deposits were below the trigger points towards declaring the system as distress, but they were nevertheless of major supervisory concern. Although central bank of Nigeria (CBN) declared the overall health of the Nigeria banking system as generally satisfactory, it’s obvious that the capacity of the banks were grossly inadequate relative to the size of the Nigerian economy which they had to serve.

2.2.4 Meeting the ₦25 Billion Benchmark Methods adopted

In their aggressive drive towards meeting the benchmark of N25 billion capitalizations, banks adopted varying methods and strategies which are analysed below:

Mergers and Acquisitions: The importance and desirability for mergers and acquisitions was a tool for the achievement of the recapitalization and consolidation. Since it was obvious that the majority of banks could not make N25 billion benchmark not many of them immediately considered mergers and acquisition as a viable option. Many banks also initially boosted their capital base through share issues and profit capitalization that was to come. Some of the bigger banks are in this category like First Bank of Nigeria, Union Bank of Nigeria. Most mergers have capacity for acquisitions as there is almost always a bigger and therefore dominants party in the agreement, this was common in the various mergers except for a few that showed that the parties had an almost equal stake e.g. the merger between platinum bank and Hibib banks to form bank PHB. Also, while some of the mergers were seen to be quite smooth e.g. the emergency of the UBA group from standard trust bank and UBA, others are still yet to show significant signs of success even though legal requirement have been met. There were also many cases of breakdown of negotiation. Summarily, in summary the various mergers and acquisition of banks ensured that 89 DMBs in Nigeria banking system shrink considerably to 25 strong mega banks.

2.2.5 Benefits of the Recapitalization

1. The bigger size of banks will enhance the capitalization of the banks as well as relatively larger capital extensive projects which had been ignored due to insufficient capital.
2. The emergency of stronger banks provides an indication of stability to depositors who can now be confident of the safety of their deposits or funds.
3. In the long run term, interest rates will likely become low and sustainable due to banks larger capital as well as the expected ability of banks to mobilize cheaper funds from the general public.
4. The large capital base of the banks will enhance the liquidity position of the banks, increase their loss bearing capabilities, and also enhance their ability to bear risks.
Hence it serves as a buffer between operating losses and insolvency.

5. Nigerian banks are now repositioned to play active part in the global financial system with structural effects on the economic development of the country.

6. The process also brought to the fore the prospects of saving due to economic of scale the elimination of duplication as well as increased profit due to the synergies created by the mergers.

7. With regard to enormity investment, the recapitalization process also successfully transformed many Nigerian from their sceptical; it informed status to profit oriented, risk taking shareholders. A whopping N406 billion was raised from the issue of shares during the period.

2.2.6 Other aspects of the banking sector reforms

The key elements of the 13-point reform programme include:

1. Minimum capital base of N25 billion with a deadline of 31st December, 2005.
2. Consolidation of banking institutions through mergers and acquisitions.
3. Phased withdrawal of public sector funds from banks, beginning from July, 2004.
4. Adoption of a risk-focused and rule-based regulatory framework.
5. Zero tolerance for weak corporate governance, misconduct and lack of transparency.
6. The establishment of an Asset Management Company (AMCON).
7. Promotion of the enforcement of dormant laws
8. Revision and updating of relevant laws.
9. Closer collaboration with the EFCC and the establishment of the Financial Intelligence Unit (FIU) of all the reform agenda the issue of increasing shareholders' fund to N25 billion generated so much controversy especially among the stakeholders and the need to comply before 31st December, 2005.

2.3 Empirical Review

Many studies were reviewed on the effect of recapitalization on the growth of deposit money banks in Nigeria. Bunescu (2010) carried out a study on the effect of bank recapitalization on the growth of deposit money banks in Nigeria, the study employed both primary and secondary data obtained from responses gotten from issued questionnaire and NDK annual reports. The data were analysed using both descriptive, means and standard deviations and analytical techniques such as t-test and the test of equality of means. It was found that the mean of key profitability ration such as the yield on earning asset (YEA), return on equity (RDE) and return on asset (ROA) were significant meaning that there is statistical difference between the mean of the bank before 2001 recapitalization and after 2001 recapitalization. The study recommends that the banks should improve on their total asset turnover and to diversify their funds in such a way that they can generate more income on their assets, so as to improve their return on equity. Ashamu and Durowoju (2009) investigated on Bank recapitalization in Nigeria: profit performance analysis, the study adopted regression analysis to analyse the data for 2007 period. The funding reveals that there is a positive linear relationship between bank recapitalization and improved profitability for the twenty four (24) banks studied. The study recommended that recapitalization exercise should be handled with utmost care so as to prevent unforeseen occurrences that may erode bank returns. Rozseline, Ojoosi, Sikuru & Oluwafemi (2015) investigated on the effect of recapitalization on bank performance in Nigeria, the study made use of data from the foremost eight banks in Nigeria that account for over 10% of the banking transaction in the country the research work was evaluated through regression analysis of secondary data over ten years (2002-2011). From the sampled banks, the funding showed that recapitalization policy was positive on the operational capability of the Nigeria banking system. The study recommended that bank recapitalization has a positive relationship with financial institution efficiency and enlargement in Nigeria. Olaitan (2006) investigation on the effects of bank recapitalization on the performance of small and medium scale enterprises (SMEs) in Nigeria. The objectives were, to determine the relationship between commercial banks and the performance of small business entrepreneurs in Nigeria to determine whether banks recapitalization led to increase in funds for financing SMEs and to examine the accessibility of SME scheme. The study employed descriptive and explanatory design, questionnaire in addition to library research were applied in order to collect data. Primary and secondary data sources were used and data was analysed using the chi-square statistical tool at 5% level of significance. The study findings revealed that there is a significant relationship between commercial banks and the performance of small business owners in Nigeria. The study recommended the Nigerian banks and indeed all stakeholders should improve on the funds made available to SMEs in Nigeria. Madichie (2013) investigation on Nigeria banking recapitalization on corporate governance. The study employed primary data, using questionnaire instrument. A total of one hundred (100) copies of questionnaire was administered to staff of 10 (ten) selected banks. The study adopted chi-square statistical tool, based on the analysis, it was revealed that recapitalization has a positive impact on corporate governance in Nigerian banks. The study recommended that there should be a platform for strengthening the banking sector.

Adewunmi (1983) carried out a study on the impact of recapitalization on the growth of deposit money banks in Nigeria. The study employed secondary source of data, using panel data. Based on the findings, the study revealed recapitalization had a positive impact on the growth of deposit money banks in Nigeria. The study recommended that deposit money banks should devise strategies that will enhance the growth of banks as well Nigeria economy. Ahaejor (2004) carried a study on bank leading in developed countries. The study objectives were; to examine the impact of bank loans and advances on the growth of bank performance, to examine the impact of lending rate on the growth of deposit money banks. Data were source using central Banks statistical Bulletin, the study employed multiple regression statistical technique. The findings or this study showed that loans and advances and lending rate positively affected the growth of deposit money banks in Nigeria. Ahmad (2013) investigated on the effect of recapitalization on the performance of banks in Nigeria secondary source of data was employed in this study. The study adopted expost facto design. In this study. Ordinary least square of multiple regression technique was employed in this study. The findings revealed that recapitalization and capital base of the bank positively affected the performance of banks, Alburume (2011) investigated on determinants of bank recapitalization and bank profitability. Secondary source of data was employed in this study. Pearson product moment correlation was adopted to show the relationship between dependent and independent variable. The findings showed that bank recapitalization has a significant relationship with bank profitability. Berger (2005) investigated on the relationship between capital and earnings in banking. The study adopted secondary methodology data were sourced from different annual report of companies, panel data was employed in this study. Based on the analysis, the findings revealed that capital positively affected earnings in banking. The study recommended that banks should be effective with policies that will lead to the growth of the banking sector. Bourke (2007) investigated on bank size and performance of banking firms. In this study, the objectives were to examine the impact of bank size on performance of banking firms. The study employed panel data and the finding revealed that bank size positively affect the performance of banking firms in Nigeria. Carletti, Ceras and Daltung (2006) investigated on multiple bank lending diversification and recapitalization of banks. The study employed secondary source of data using multiple regression statistical technique was used in establishing the relationship between bank lending diversification and recapitalization of banks. The findings revealed that bank lending has a positive effect on recapitalization, the finding revealed that loans and advances have positive effect on recapitalization. The study recommended that banks should use monetary policies to boost the performance of the economy.

3.0 Research methods

The focus of this study has been on banking recapitalization on the growth of deposit money banks. Research design is the approach or scheme which defines the tools and strategies of the research. In this study, the exploratory design in employed to identify the factors that contribute to recapitalization on the growth of deposit banks. The selected sampled banks is in line with the works of Balsley and Clover (1988) as cited in Tapang, Bessong and Ujah (2015); Tapang, Bassey and Bessong (2012); Bassey and Tapang (2012) stating that it is common in research studies to use 10 percent sample size, because sample size of 10 percent of the universe has been proved to be more than adequate in research projects. Ogolo (1996) also as cited in Tapang, Bessong and Ujah (2015); Tapang, et al. (2012); Bassey and Tapang (2012) corroborates this when he posits that where a population is known, at least 10 percent of it constitutes a researchable sample.

Based on the objectives of the study, the secondary sources are employed in this research. In analysing the data gathered for this work, multiple regression models were employed to establish the relationship between dependent variable and independent variables. The objectives of the study are to establish the relationship existing between the bank recapitalization and deposit banks. Based on this, the model below has been developed for the study.

BPROF = F (BTA, TD, LIQ)

Where

BPROF = Banks profitability

BTA = Bank Total Assets

TD = Total deposit

LIQ = Liquidity

Therefore, the functional relationship is linearized into ordinary least square (OLS) model.

$$BPROF = \alpha_0 + \alpha_1 BTA + \alpha_2 TD + \alpha_3 LIQ + e$$

Where;

Dependent variable	=	BPROF
Independent variables	=	BTA, TD, LIQ
Regression constant	=	α_0
Regression coefficient	=	$\alpha_1 - \alpha_3$
Stochastic error term	=	e

Data analysis

The result of the various expressions of bank recapitalization on the growth of deposit money banks in Nigeria is presented and analysed below. The estimation technique used as the ordinary least square (OLS) method. The first step involved in the estimation of linear relationship is the comprehensive pre-testing procedure to investigate the variables using E-view.

TABLE 1(Regression result)
Dependent variable: LPROF

Variables	Coefficient	Std. Error	t.stat	Prob
C	0.921842	1.098061	0.839518	0.4102
LLIQ	0.051834	0.282386	0.183559	0.8560
LTD	0.124699	0.093263	1.337063	0.1949
LBTA	0.892576	0.103216	8.647631	0.0000

Source: E-view.

R^2	=	0.981770
R^2(adj)	=	0.979284
SER	=	0.278568
f-stat	=	3.949248
DW	=	1.173048

- Significant at 1% level

The bank total asset variable had a positive sign, thus, a one percent increase in bank total asset will lead to 0.892576 percent increase in BROF, ceteris paribus. The variable of Bank total asset is statistically significant at 1% percent level. This, it is a reliable variable that influences BROF. Also, the current of total deposit (LTD) is positive and thus is in line with economy theory. An increase in the current total deposit (0.12%) leads to an increase in BROF, all things being equal. The variable of total deposit is statistically insignificant.
On the other hand, liquidity had positive impact on BROF. The coefficient of determination, the adjusted R^2 with 0.97928 using error correction modelling shows that about 98 percent variation in BROF is determined by changes in the explanatory variables specified in the model. Thus, it is a good fit. The f-statistics as shown in the table showed that the whole model is jointly significant at 5 percent level. The Durbin-Watson (DW) statistics of 1.173048 reveals that it is difficult to establish whether there is autocorrelation or not as the value lies between 4-du and 4-dl. Thus, it is in the inconclusive region and within the acceptable bounds. Hence, it is good for policy analysis. There is no multicolinearity in the model because the adjusted R^2 is relatively high as most of the coefficients of the variables are significant at five percent level. The coefficient of the error correction team carries the correct sign and it is statistically significant at five percent level with the speed of convergences to equilibrium.

4.0 Findings

The findings of the study include that;

(1) Liquidity had a positive impact on the performance of banks and impeded on the growth and development of Nigeria economy.

(2) Total deposits had a positive impact on the performance of banks and impeded on the growth of deposit money banks in Nigeria.

(3) Bank total asset had a significant impact on banks and thus led to the growth of deposit money banks in Nigeria.

5.0 Conclusion/Recommendations

The study has established that bank recapitalization in the Nigerian financial system secured through mergers and acquisition by increasing shareholders fund for investor's confidence as well as financial stability and operational efficiency of the consolidated banks. The research study has established that bank recapitalization helps in storing up investment capital, enhances shareholders value, protects creditors and depositors as well as lower costs and enhancing their liquidity positions. Also, adequate capital brings financial stability, growth and profitability. As an addendum, the increased capital base of commercial banks will curb the incidence of distressed and technically insolvent banks which has been a plight to the banking institutions in the past and as a result of low capital base of banks.

The following recommendations are proffered based on the findings of the study.

1. The CBN must remain resolve and focused on the implementation of its statutory requirement even in post-consolidation so as to guide against distress in the banking sector.
2. The CBN must also ensure that quality services are rendered to investors by the consolidated banks.
3. The CBN being the apex regulatory body should draw the experience of other countries in her implementation of the reforms process in the banking sector.

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