

## **Informalising the formal: The conditions of female agency workers in Ghana's banking sector**

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### **Abstract**

The informal sector in Ghana is characterised by precarious conditions of work and high rates of poverty and, for these reasons, Ghanaian women's participation in the sector has received sympathetic attention in the literature. By contrast, their work in the presumably more secure and rewarding formal sector—including the banking industry—has been relatively neglected. However, our research into the experiences of female bank workers hired through employment agencies reveal conditions of work that resemble those in the informal economy, with regards to contracts, wages, security of tenure, and channels of negotiation and redress. We link the situation of these workers to processes of economic liberalisation in Ghana and globally, which encourage the informalisation of labour relations to the detriment of workers generally, and female workers in particular.

**Keywords:** women's work; women's empowerment; banking; informal economy; informalisation; employment agencies; Ghana.

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### **Informaliser le formel: Les expériences des salariées du secteur bancaire ghanéen**

#### **Résumé**

Les femmes ghanéennes constituent la population majoritaire de l'économie informelle caractérisée par des conditions de travail précaires et par des taux de pauvreté élevés. Pour ces motifs, le travail informel des femmes ghanéennes a reçu une attention sympathique dans la documentation. Notre étude du travail « formel » réalisée auprès des banques, cependant, montre que

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les salariées du secteur bancaire embauchées à travers les sociétés de recrutement vivent des conditions de travail semblables aux conditions de l'économie informelle en ce qui concerne les contrats, la sécurité du mandat, les salaires, les moyens de négociations et de résolution des litiges. Nous relierons la situation de ces salariées aux procédés de la libéralisation économique au Ghana et, sur le plan mondial, aux conditions dans lesquelles l'emploi formel devient de plus en plus informel. Ainsi, nous nous opposons à la notion qui fait croire que l'entrée des femmes dans le secteur formel est une condition suffisante en elle-même pour leur autonomisation.

## Introduction

Much of the literature on women's work in Ghana has focused on the informal sector, in apparent recognition of the overrepresentation of women in the sector, their inferior incomes and conditions of work, relative to men, and, consequently, their greater vulnerability to macroeconomic shifts and policy changes (Anyidoho, 2013; Darkwah, 2002; Horn, 2010; Overå, 2007; Tsikata, 2009). One of the more dramatic illustrations of this precarity was the scapegoating of female market traders in the 1970s and 1980s by military regimes who alleged that their participation in price-hiking and other corrupt practices had contributed to the country's economic ills (Adomako Ampofo, 1993; Bentsi-Enchill, 1979; Robertson, 1983). The consistent attention to the informal sector as a difficult space for women induces a relative lack of research and policy concern about women's involvement in the *formal* sector, and specifically about the process of informalisation occurring in that space.

In Ghana, as elsewhere around the world, work in the formal sector is increasingly taking on features of informality. The concept of the 'informal economy' is useful in capturing this process; while the term 'formal sector' references the status of enterprises, the 'informal economy' adds the dimension of labour relations and thus includes informal work done within the formal sector. Informal work thus subsumes 'all employment arrangements that do not provide individuals with legal or social protection through their work... whether or not the economic units they work for or operate in are formal enterprises, informal enterprises or households' (ILO and WIEGO 2013, p. 3).

The informalisation of labour relations is one result of the dual processes of economic liberalisation and globalisation that are changing 'labour relations and patterns of work, and systems of social protection, regulation and distribution'

(Standing 2014, p. viii). Driven by competition and profit-making motives in a liberalised global economy, businesses find ways to reduce the cost of labour by outsourcing work and/or contracting the benefits and rights of employees.

The detrimental impact of informalisation on women's lives and livelihoods generally has been discussed in the literature, often with reference to the urban or agricultural informal sector (e.g. Adu-Amankwah, 2007; Overå, 2007; Tsikata, 2009; Tsikata & Darkwah, 2011). What is not sufficiently researched is the way informalisation affects women's work in the formal sector, and specifically their experience of the micro-environment of the work place. This paper attempts such an understanding through an examination of the processes and implications of informalisation for women's work in the Ghanaian banking sector, a traditional site of formal employment.

In this paper, we describe the situation of female bank workers hired through employment agencies—henceforth, agency workers—and assess their work conditions against the ILO's standard of 'decent work', which

involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.<sup>1</sup>

While informal work and decent work are not synonymous, informal work is characterised by limited social protections, and thus falls short of the expectations for decent work. In this paper, we operationalise informalisation along the following dimensions, which are consistent with the indicators of decent work used by the ILO (2012): work security (including a clear basis for hiring and firing); equal remuneration for work of equal value; benefits such as healthcare, sick leave and maternity leave (which are aspects of social protection and also allow for work and family life balance); freedom to organise; opportunities for professional development; and a conducive and socially safe work environment.

In the rest of this paper, we contextualise the banking sector within Ghana's liberalising economy. We go on to describe the study design, including sample and data collection methods. We then discuss findings about the nature of work for women in the formal banking sector who nonetheless participate in the

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<sup>1</sup> Retrieved from <http://www.ilo.org/global/topics/decent-work/lang--en/index.htm>

informal economy. The paper concludes by advocating policies that attend to the nature of labour relations rather than merely the location of work and for the unionisation of agency workers to demand such policies.

## **Background**

### *Economic Liberalisation and Work*

Ghana's banking industry<sup>2</sup> has experienced dramatic changes as a result of a series of economic policy reforms. In the early 1980s, Ghana submitted to a structural adjustment programme (SAP) prescribed by the International Monetary Fund (IMF) and the World Bank, which had the neo-liberal dogma that the market, rather than the government, should direct the economy. This doctrine was reinscribed in the post-2000 Poverty Reduction Strategy Papers (PRSPs) which came packaged with the Highly Indebted Poor Countries (HIPC) debt-cancellation initiative to which Ghana had applied. Thus, for the past three decades the Ghanaian economy has been undergoing a process of liberalisation that had an initial goal of saving a failing economy and then growing it by expanding the role of the private sector, with monetary and fiscal policies, employment, investment and social expenditure as areas of focus (Amanor, 2001; Aryeetey, Harrigan, and Nissanke 2000; Hutchful, 2002; Obeng-Odoom, 2012; Olukoshi, 1998).

Feminist scholars have documented the ways the SAP informalised women's work to their detriment (see Brydon and Legge, 1996; Elabor-Idemadie, 1991; Palmer, 1991; Overå, 2007). First, structural adjustment increased the workforce in the informal economy. The economic growth Ghana experienced during the economic reforms—as measured by GDP and other macroeconomic indicators—did not lead to a commensurate increase in employment. This phenomenon of 'jobless growth' was exacerbated by deliberate policies under the SAP to sell off state enterprises and to retrench government workers. The informal sector became a refuge for laid-off members of the formal sector workforce as well as a destination for new entrants into the labour force (Meagher, 1995). Thus, economic growth did not result in more formal jobs but, rather, in an increase in informal sector employment (Fine and Boateng, 2000).

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<sup>2</sup> By 'the banking industry', we mean commercial and development banks, the latter of which often offer commercial banking services (Brownbridge & Gockel, 1996).

Depending on the definition and measurements used, as much as 80 per cent of employment in Ghana is informal, with women having higher rates of participation in informal employment than men (Baah-Boateng and Ewusi, 2012; Obeng-Odoom, 2011; Twerefou 2008). The second major impact of the SAP on work, for the purposes of this paper, was to shift the question of labour relations from the purview of macroeconomic policy to market forces (Tsikata and Kerr, 2000). This resulted in increased hardships as employment opportunities and conditions of work deteriorated (Tsikata, 2009). Thus, informalisation can be seen in the changes that have occurred in the formal sector work that make it resemble more closely informal sector work, including low(er) wages, insecurity of tenure, irregular hours, and limited social security and other benefits. In general, the worsening of wages and social protections have disproportionately affected women who already have higher levels of poverty (Nisonoff, Duggan & Wiegersma 2011, p. 25).

When policy attention has turned to the informal economy, the focus has been on formalising enterprises (generally with the intent of expanding government revenue base) rather than on improving labour relations and work conditions (Tsikata, 2009). This orientation is a part of the neo-liberalisation agenda the Ghanaian government has taken on where strong protections for labour are seen as a hindrance to market functions (ibid.). This paper is by way of a corrective to this lop-sided research and policy perspective.

#### *Reforms in Ghana's Banking Sector and the Use of Employment Agencies*

We examine informalisation in the banking industry against the background of an economy whose structure has remained fundamentally unchanged since the colonial period. There is continued reliance on agriculture as the basis for economic growth (see Government of Ghana, 2010), although there have been changes in the relative importance of the various sectors over time; agriculture's share of the labour force has fallen and this has freed up workers for other sectors of the economy, including the service sector to which the financial sector (and the banking industry, specifically) belong. In 2010, at the midpoint of fieldwork for this study, the agriculture sector contributed 30.2 percent of GDP while the service sector's share was 51.1 percent (Ministry of Food and Agriculture, 2011). In the same year, the service sector grew by 8.2 percent, outstripping the growth rate for the overall economy (which was 6.8 percent) and the agricultural sector (4.8 percent). Thus, while financial services employ only a small

percentage of the work force, they are part of a fast-growing service sector both in terms of their contribution to GDP and employment.

Ghana's banking industry from the 1990s underwent a number of reforms intended to fix what was perceived to be wrong with the industry, including inadequate capital, low competition, and overt government intervention in the banking industry through imposition of interest rate and direction of loans to specific sectors (Brownbridge and Gockel, 1996; Hinson, Owusu-Frimpong and Dassah, 2009; Ziorklui, 2001). As part of the SAP, interest rates were partially liberalised and government sectoral preferences cancelled (Brownbridge and Gockel, 1996; Ziorklui, 2001). In addition, state-owned banks were privatised and new private banks were provided licenses (Biekpe 2011; Hutchful 2002). These measures had dramatic consequences, the most notable being an increase in the numbers of banks, with many new entrants from Nigeria and South Africa.<sup>3</sup>

The growth in numbers, as well as the practices introduced by the foreign banks, resulted in greater competition, which in turn led to an increase in the number of branch locations, products and services. There was, therefore, an expansion of employment opportunities within the industry and, as a result, the banks turned to the private employment agencies that were emerging in the 1990s and 2000s for more workers. The operation of private employment agencies was legalised in 2003 under the Labour Code, which was in effect an endorsement of the ILO Private Employment Agencies Convention of 1997 (C181) that stated that employment agencies had a 'constructive role' to play in the labour market. According to our data, employment agencies mainly operate in urban areas in Ghana, seeking both skilled and unskilled workers to fill positions as domestic workers in homes and as lower-level workers in the banks. In 2008 when an initial mapping of employment agencies was undertaken in the three study sites, 19 out of 33 private companies that submitted applications for a license had been given approval to operate.<sup>4</sup> Of the 19 licensed agencies, 17 provided workers for banks. A second reason for the banks' use of employment

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<sup>3</sup> The influx of foreign banks in particular was not only the result of the liberalisation of the financial sector but also of Ghana's increased political and economic stability (Hinson, Owusu-Frimpong & Dassah, 2009).

<sup>4</sup> These joined the government-run Public Employment Centres, some of which have been in operation since 1938 and which are found in all ten administrative regions of the country. In this paper, we focus on the private employment agencies.

agencies was a concern about cost-effectiveness and efficiency in a more competitive environment. This led the banks to hire agency workers who could be given lower pay and fewer benefits compared to permanent workers. Indeed, in the late 1990s, a few banks laid off full time employees and re-employed them as contract workers through the agencies.<sup>5</sup>

### Study Design and Methods

The data on which this paper is based is a subset of data from a larger study which sought to understand the processes of formalisation and informalisation of women's work in Ghana, with a focus on bank workers and domestic workers.<sup>6</sup> The study was carried out between 2008 and 2011 in Ghana's three largest cities: Accra, Kumasi and Tamale. Urban centres were chosen because of their concentration of bank branches. Moreover, the three cities are spread out over the country and offer ecological and even cultural diversity; Accra is on the coast in the south, Kumasi is towards the middle of the country, and Tamale is in the north. The study used a mix of methods: mapping, survey and in-depth interviews. This rest of this section describes only the methodology that pertains to the collection and analysis of data on the banking sector.

### Data Collection and Analysis

#### *Mapping*

Due to the lack of statistics and literature on the employment agency industry in Ghana, an initial mapping was conducted to collect information on the locations, distributions, and general profile of these agencies. This was done by having field assistants drive around our three study sites—Accra, Kumasi and Tamale—to locate signboards for private agencies. Once located, the private agencies were asked to provide contacts of other agencies of which they were aware. Table 1 provides a breakdown of the agencies that were thus surveyed.

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<sup>5</sup> Interview with representative of workers union of Bank 2 on July 9, 2010.

<sup>6</sup> The study 'Formalising the Informal and Informalising the Formal: Analysing Changes in Women's Work in Domestic Service and the Banking Sector in Ghana' was funded by the IDRC (Grant 104851-001). We would like to acknowledge our co-investigators for the larger study, Dzodzi Tsikata and Akosua Darkwa.

Agencies provided workers for either domestic service, banks or both. The majority were located in Accra.

**Table 1: Types of employment agencies in three cities in Ghana**

	Accra	Kumasi	Tamale
Banks	5	5	2
Domestics	9	4	0
Domestics and banks	7	0	1
<b>Total</b>	21	9	3

Source: Fieldwork, 2009

Half of the agencies providing workers to banks were set up in the 1990s (by contrast, all the agencies which provided domestic workers were set up in the 2000s). The majority of both types of agencies were registered as companies. However, only half of the companies in Accra, and a third of those in Kumasi and Tamale, were licensed by the erstwhile Ministry of Employment and Social Welfare to operate specifically as employment agencies. Also, these companies were local in operation, restricting their activities to a particular city or region, with the exception of one company that provided workers for banks located in five regions.

A mapping of the banking sector was also conducted to collect information about numbers and locations of employees within banks. Thirteen of the 25 banks operating in the country at the time (five foreign and eight with headquarters in Ghana) elected to participate in the mapping exercise. These included three of the largest and oldest banks, as well as newer and foreign-owned institutions.

The data collected from mapping was analysed using descriptive statistics. Some open-ended responses were also collected on the rationale of banks for using employment agencies and workers, and these were analysed for themes.



## Survey

### *Bank workers*

Six banks were selected for the survey of workers, the composition of the sample reflecting diversity in ownership, years of operation and size (see Table 1).<sup>7</sup>

**Table 2: Profile of selected banks for surveys and in-depth interviews**

	Size	Ownership	Length of operation in Ghana
Bank 1	Larger	Ghanaian	pre-1980s <sup>[AA2]</sup>
Bank 2	Larger	Foreign	pre-1980s
Bank 3	Smaller	Foreign	post-1980s
Bank 4	Smaller	Foreign	post-1980s
Bank 5	Smaller	Ghanaian	post-1980s
Bank 6	Smaller	Ghanaian	post-1980s

Source: Mapping exercise, 2009

In June and July 2009, 301 female and male workers of the six banks were surveyed across the three research sites. Our sampling of respondents combined availability sampling (where we interviewed workers who were available and willing to give their time) with maximum variation sampling in order to obtain a diverse sample, mainly in regards to positions within the banks (junior, supervisory and management level) and status (permanent and agency workers). For the purposes of the survey, agency workers were defined as those who had been hired through employment agencies and did not have a permanent contract in the bank. This category did not include workers who were working directly for companies to whom certain functions, such as security and janitorial services, had been completely outsourced.

To obtain sufficient numbers for statistical analysis, agency workers and those in management and supervisory positions were over-sampled. The distribution by level or position was as follows: 15 per cent of employees were in management, 19 per cent came from the supervisory level, and 66 per cent were junior staff. In terms of employment status, 66 percent of the sample self-identified as permanent staff, 25 percent as agency workers, and 9 percent indicated that they had ‘other’ status. Because of the interest of the researchers

<sup>7</sup> To maintain the confidentiality of our sources, we are able to provide only general information about the banks in our sample.

in women's work, female workers were also over-sampled (62 percent to 38 percent males).

The data from the surveys were analysed using descriptive statistics. Our focus in this paper is on female agency workers. Some of the statistical analyses are sex-disaggregated to allow for a comparison of female and male agency workers, in order to understand the role that gender may play in women's work experiences. In other analyses, we compare agency workers to permanent workers to gain insights into the peculiar situation of agency workers.

### ***In-depth interviews***

Finally, in-depth interviews were conducted with four categories of respondents: heads of three private employment agencies; heads of human resource (HR) units in all six banks in our sample; and union leaders in three banks;<sup>8</sup> bank workers (five permanent and five agency workers, with four females and one male in each category) selected from the survey respondents. The interviews of bank workers were recorded with the permission of the interviewees. The interviews with the head of employment agencies, bank managers and union leaders were not recorded in deference to the respondents' preference, but field notes were taken. The interviews and field notes were then transcribed and subjected to thematic analyses.

## **Findings**

### **Profile and placement of agency workers**

Out of the thirteen banks who participated in the mapping exercise, ten used agencies, two from as far back as the late 1990s and the remainder from 2001. In the late 1990s when the use of agency workers was relatively new, they were employed as secretaries and as cash collectors. Thereafter, their roles within the banks expanded; they were taken on as drivers, bulk tellers, clerks and sales representatives. With the exception of the tellers, the banks considered all the other roles to be 'non-core' work.

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<sup>8</sup> We attempted to interview the heads of workers unions in all six banks sampled for the survey, but only three were available.

The data from the six banks surveyed showed that there were more male than female agency workers.<sup>9</sup> There was a degree of sex segregation as males tend to work as drivers and cash collectors, while female agency workers were tellers, cash collectors and secretaries. In this way, females were more likely to be visible within the banks than men.

For executive management and senior management positions in the banks, employment agencies generally required applicants to have a minimum of a second degree, preferably an MBA degree or a professional degree such as that provided by the Chartered Institute of Marketing Association or the Association of Certified Chartered Accountants. Middle management and supervisory levels required a first degree, a professional certificate or, in a few cases, a higher national diploma. For clerical or secretarial positions, workers needed at least a diploma in Business Studies, and for non-clerical, a secondary school certificate was a minimal requirement.

**Table 3: Permanent and Agency Workers by Sex and Position within the Banks**

	Permanent workers		Agency workers		
	Female	Male	Female	Male	unspecified gender
Executive Management	8	75	0	0	
Senior Management	77	177	0	0	
Middle Management	241	470	0	0	
Supervisory	823	1131	0	0	
Clerical	1121	938	32	18	
Non-clerical	85	334	34	427	
(level not specified)	27	19	29	35	
<b>TOTAL</b>	<b>2382</b>	<b>3144</b>	<b>95</b>	<b>480</b>	<b>552</b>

Source: Data from mapping exercise, 2009

<sup>9</sup> The banks did not keep detailed records on agency workers because, as they explained to us, these workers were not technically their employees.

The data we obtained from banks in the mapping exercise indicated that all their agency workers were in junior staff positions at clerical and non-clerical levels (see Table 3)

The survey also asked about the position of workers by avenue of initial recruitment. By this, we sought to capture workers who may have initially been hired through employment agencies but who had achieved permanent status (which, as we will discuss, is an ambition of many agency workers). Table 4 shows that close to 99 percent of workers hired through agencies were at the junior staff level, with only 1 percent at the supervisory level. No one in a management position had entered their bank through an agency.

**Table 4: Percent distribution between recruitment avenues and level of employment**

Mode of employment	Employment levels				
	Management	Supervisory	Junior Staff	Total	N
Agency	0.0	1.1	98.9	100.0	93
Intermediary	21.0	27.0	52.0	100.0	200
Direct application and other avenues	33.3	22.2	44.4	100.0	9
Total	14.9	18.9	66.2	100.0	302

Source: Survey data, 2009

Thus, while in theory workers hired through agencies may fill positions at different levels of the company, in practice, they are placed at the lowest levels of the bank hierarchy from which it is very unlikely they will advance. This may be a consequence of the type of workers who choose or are compelled to use agencies. It is also due to the banks' decision to use different hiring avenues for workers at lower and higher positions in the banks.

### **Basis of Hiring and Firing**

The question of how workers are hired and dismissed, and the employment status they hold, speak to the stability and security of work (ILO, 2012). Nine of the 10 banks that used agencies stated that their agency workers were bound directly or indirectly by written contracts. In five cases, the contracts were between the banks and the agency and in three cases there was an additional

contract between the agency and its workers. In only one case was the agreement reportedly between all three parties. In effect, only one bank acknowledged a direct labour relationship with the agency workers by signing a contract with them. Indeed, an HR manager in one bank revealed that not signing a contract with agency workers was a deliberate strategy to get around the legal requirement that employers provide a contract and attendant benefits to casual or contract workers after six months.

These arrangements leave agency workers with little job security. In the first place, the majority of agency workers are effectively employees without a legal employer since employment agencies are not by law regarded as employers; that is, they are licensed to place workers, not to employ them. At the same time, the majority of banks do not recognise agency workers as their employees, not even as contract workers. Since most banks have agreements with employment agencies and not with the agency workers, it is easy for banks to 'dismiss' an agency worker by simply requesting the agency to remove them. Indeed, one of the reported attractions for banks of using agency workers was that they could be removed relatively more easily for non-performance or if they were no longer needed. (HR managers reported that, by contrast, it was extremely difficult to fire permanent workers.)

The agency workers, union leaders and HR managers interviewed all spoke about the tenuousness of agency workers' relationships with their agencies. This is an important point, given the finding that agency workers were more likely to have contracts with these agencies than with the banks to which they reported to work daily (15 of the 20 agencies we surveyed that supplied workers to banks stated that they had written agreements with the workers). Agency workers reported being threatened for a number of minor infractions, including 'incompetence', dissent and complaints about conditions of work.

### **Remuneration**

Ten banks indicated that they negotiated salaries and paid agency workers through the agency. Salary payments were made at the end of the month, as was the case for permanent workers. In addition, 9 out of the 10 banks paid a commission to the agency based on the number of staff placed in the bank.

For their part, the agency typically only paid the worker a proportion of what the bank paid it, and there were rather wide variations on this figure. From interviews with HR managers, we gathered that agencies could withhold

between 12 and 50 percent of workers' earnings as 'fees', though there was a consensus among bank leadership that this figure should ideally be no more than 30 percent. However, while some banks negotiated this proportion with the agencies, we did not gain the impression that there was a real push to standardise these numbers within the industry. What is of importance here is that employment agencies deducted a significant portion of monies meant to go to workers, and that workers themselves had little or no say in these arrangements.

Another point of note is that agency workers' pay was lower than permanent workers doing the same work, the lower cost of human resources being, after all, one of the main attractions why banks use agency workers. Thus, agency workers were not equally remunerated for the same work as permanent workers, which is contrary to the tenets of decent work.

### Leave, Allowances and Other Benefits

According to analysis of data collected from the 10 banks that took part in the mapping exercise, agency workers received significantly fewer benefits than permanent workers. Table 5 shows that permanent workers were given 22 benefits, many of which were provided by all or a majority of the banks. Agency workers, on the other hand, enjoyed only 10 categories of benefits given by just a few banks.

**Table 5: Distribution of benefits by worker status**

Agency Workers			Permanent Workers			
			Management		Non-Management	
Now (no. of banks)	Past (no. of banks)	Type of Worker Benefit	Now (no. of banks)	Past (no. of banks)	Now (no. of banks)	Past (no. of banks)
<b>1</b>	1	Sick leave with pay	<b>11</b>	11	<b>11</b>	11
<b>1</b>	1	Casual leave with pay	<b>10</b>	10	<b>10</b>	10
<b>0</b>	0	Casual leave without pay	<b>5</b>	5	<b>4</b>	4
<b>2</b>	2	Annual leave with pay	<b>10</b>	10	<b>10</b>	10
<b>1</b>	1	Annual leave without pay	<b>3</b>	3	<b>3</b>	3
<b>1</b>	1	Maternity leave	<b>11</b>	11	<b>11</b>	11
<b>0</b>	0	Paternity leave	<b>1</b>	1	<b>1</b>	1
<b>4</b>	2	Social security contributions	<b>11</b>	11	<b>11</b>	11

<b>0</b>	0	Medical health insurance	<b>9</b>	8	<b>9</b>	9
<b>0</b>	0	Dental health insurance	<b>6</b>	5	<b>6</b>	5
<b>3</b>	1	Paid overtime	<b>4</b>	4	<b>8</b>	8
<b>0</b>	0	Performance based bonuses	<b>8</b>	8	<b>9</b>	9
<b>0</b>	0	Transport allowance	<b>8</b>	8	<b>8</b>	8
<b>0</b>	0	Rent/housing allowance	<b>7</b>	9	<b>4</b>	6
<b>0</b>	0	Car loans	<b>9</b>	9	<b>8</b>	9
<b>0</b>	0	Home loans	<b>10</b>	8	<b>9</b>	8
<b>0</b>	0	Personal loans	<b>11</b>	11	<b>11</b>	11
<b>0</b>	0	Clothing allowance	<b>8</b>	9	<b>8</b>	9
<b>0</b>	0	School fees support	<b>3</b>	3	<b>2</b>	2
<b>0</b>	0	Childcare allowance	<b>0</b>	0	<b>0</b>	0
<b>0</b>	0	Childcare facilities	<b>0</b>	0	<b>0</b>	0
<b>2</b>	2	Fixed term contract	<b>3</b>	3	<b>2</b>	2
<b>1</b>	1	Employment until retirement	<b>5</b>	5	<b>5</b>	5
<b>1</b>	1	Right to join union / association	<b>5</b>	5	<b>8</b>	8

Source: Data from mapping exercise, 2009

Leave time is a common entitlement for formal workers, but in the few banks in which agency workers were entitled to leave of any kind, they could not always be certain they would actually be granted it. One agency worker interviewed, for instance, said that while she was entitled to three weeks of leave a year, she faced opposition from her bank whenever she tried to take her leave. Certainly, permanent workers could face the same resistance from their employer but, given the insecure tenure of agency workers, they would arguably feel more pressure and be less able to insist on their entitlement.

Only one bank reportedly offered maternity leave to agency workers and none offered paternity leave, child care facilities or child care allowances to any category of employee (whether agency or permanent worker). These conditions are not supportive of work-family balance and are especially disadvantageous to female workers who bear the greater burden of reproductive work. It is also significant that agency workers were less likely than permanent workers to receive social security contributions and medical/dental health insurance, which

has implications for the well-being of workers and their families who may bear the burden of care for a worker without these protections.

Another major area where agency workers were disadvantaged was in terms of access to bank loans. Commercial loan interest rates in Ghana can be as high as 30 percent but bank workers can access loans at much lower rates. Agency workers were denied access to what permanent workers considered one of the biggest perks of working in a bank.

The survey requested banks to indicate any changes to conditions of service in the past decade. Table 5 shows only slight changes in regards to benefits enjoyed by permanent employees in the past compared; a few more banks offer homes loans and dental and medical health insurance than in the past but, on the other hand, there has been a slight decline in the number of banks offering housing and clothing allowance. For the agency workers, there were only two reported changes to benefits enjoyed; a few more banks had begun to provide overtime pay and social security contributions to agency workers. Overall, conditions have not changed much for agency workers, perhaps as a consequence of their lack of bargaining power as a non-unionised group, a point to which we will return.

### **Opportunities for Training and Advancement**

According to the in-depth interviews, the availability of opportunities for training was another difference between permanent and agency workers, the latter of whom did not receive such investment in their professional growth. The reason that agency workers did not receive training, according to the HR managers, was because they did not have the same loyalty or commitment as permanent workers and would likely leave the bank. Ironically, the reason that the agency workers might not have these desirable traits would be precisely because of their tenuous situation.

Having less training, the perceived lower competence of agency workers, and their presumed lack of commitment, were then used as the reason for which they would not be given more responsibilities or opportunities to do better-regarded tasks in the bank, as one HR manager implied:

Work is seasonal sometimes, and work has contingencies. So, the main reason for using an agency is first to handle backlogs and surges in the work flow. Where you have to train and imbed certain skill sets, then using an agency worker might not be your best option. The ideal is to use your permanent staff for core functions, and build capacity and competence.... Who manages the



crucial “three feet” [referring to the 3 feet of space between bank officer and client]? The one who manages that should have strong loyalty to the branch, should represent the core qualities of the branch, and can be an ambassador of the bank.<sup>10</sup>

Despite these attitudes in the banks, agency workers who wished to be taken on as permanent employees worked very hard to prove themselves, including staying on for long hours, well beyond the call of duty. We saw this pressure to perform in Ruth,<sup>11</sup> a bank teller, in Kumasi. We had an appointment to meet Ruth at her branch at 5.00 pm. When we arrived, she was still busy in her ‘cage’ (the name used for the cubicles from which tellers worked). One of the bank workers encouraged us to wait a little longer, explaining that Ruth was very diligent and was probably making sure she had completed all her work for the day. We ended up waiting another hour. We held our interview with Ruth in the bank and then took her home. We estimated that if Ruth had to battle for public transportation as she normally did, she could not have reached home before 8.00 p.m. And yet, as an agency worker, she received no overtime allowance for staying late. Ruth hoped that her hard work would be recognised and that, when the time came to hire new permanent staff, she would be considered for a spot. These ambitions have implications for agency workers as they try to strike a balance between work, family and other domestic obligations. Our interviews with HR and union leaders did not indicate that banks were supportive of these social and other responsibilities as they were not particularly sensitive to the pressures that female workers experienced (see Anyidoho & Adomako Ampofo, 2015).

### **Freedom to Organise**

In general, agency workers were not allowed to unionise or to be part of existing unions in the banks in which they were placed (see Table 5). Union leaders pointed to the difficulties of integrating agency workers into existing workers’ associations because of their employment status; that is, the fact they were neither permanent workers nor technically employees of the bank. One union leader stated it baldly, ‘We normally don’t count them as bank staff.’<sup>12</sup> He

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<sup>10</sup> Interview with HR of Bank 3 on August 24, 2010.

<sup>11</sup> All names used are pseudonyms.

<sup>12</sup> Interview with Union Leader of Bank 1, Accra, August 3, 2010

added that agency workers might decide to take part in meetings of the union and might raise issues of pay but, he said, ‘We don’t have the locus standing, we don’t have the capacity to do anything for them; we cannot enforce. We can only tell management of their plight... We are only like their angels’.<sup>13</sup>

Not only were agency workers encouraged to be part of unions, some agency workers reported being punished by their employment agencies for merely raising issues of concern. One union leader interviewed recounted the story of an older woman who had been an agency worker with the bank but was laid off by her agency for protesting the agency’s decision to dock her pay for being late for work. Another agency worker, Felicia, said of her employment agency, ‘They don’t let us talk’. She added that most of the workers kept their unhappiness to themselves for fear of being taken off the agency’s books. However, she did relay one instance when the head of her previous employment agency had caved under pressure from workers who threatened to sue him for non-payment of pension benefits, which suggests that employment agencies are not entirely impervious to pressure from workers.<sup>14</sup> On a more positive note, Alberta, working as a cashier with a bank after her university degree, spoke about meetings with her employment agency where their work would be discussed but where they also had an opportunity to bring up their concerns:

We also talk about our welfare, like the appointment letter. Some complain about commissions. Some also complain about the way the permanent staff of (Bank 2) treat them... We address the problems to [the head of the employment agency] and he notes them. He would then promise to meet the managers of the various branches to discuss the issues, especially the maltreatment of some staff.<sup>15</sup>

Alberta’s was the only account of an employment agency responding to workers’ complaints by engaging with the banks. From all our interviews (with agency workers, union leaders and human resource managers), the initiative was usually taken by the bank, if at all; as holders of contracts that employment agencies competed for, the banks could use their leverage to negotiate for better conditions for agency workers. However, banks used their influence informally, inconsistently and primarily when it benefited them. Thus, banks would

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<sup>13</sup> Interview with Union Leader of Bank 1, Accra, August 3, 2010

<sup>14</sup> Interview with Felicia, Bank 1, Accra, July 17, 2010.

<sup>15</sup> Interview with Alberta, Bank 2, Accra, August 23, 2010.

occasionally accede to pleas from unions or from agency workers to intervene to have the employment agencies pay wages on time or reduce their 'commissions' on wages. In all this, the main motivation of the banks was to keep the agency workers motivated enough to work dedicatedly.

### The General Work Environment

The evidence is mixed as to whether agency workers enjoy a conducive work environment, including whether they are integrated into the work place. On the one hand, the workers, HR managers and union leaders interviewed agreed that it would be difficult to step into the banking hall or offices and tell apart agency from permanent workers. In some banks agency workers interacted seamlessly with permanent workers, and some were perceived to be as competent and were trusted as much as (fellow) permanent workers. In general, the agency workers interviewed felt that they were treated well by bank staff:

There is no discrimination at [Bank 3]. To be honest, we all joke together and do things together, whether [we] permanent or agency [workers]. We are like a family. You won't ever [AA3] know the difference, unless it comes to bonuses and things like that.<sup>16</sup>

Nonetheless, agency workers were located at the bottom of the pecking order, even when they did the same work as permanent workers. In interviews, union leaders and HR managers echoed the perception that agency workers were generally not as competent, committed or trustworthy as permanent workers. A union leader said bluntly, 'That was where our dissatisfaction with the outsourcing thing started...the staff wasn't up to quality.'<sup>17</sup>

The following three accounts are illustrative of the positioning of agency workers within the work setting, including one from a male worker which speaks to the situation of female agency workers as well. While working at her first bank as a cash collector, Felicia said she got along with the tellers (permanent workers) at her bank, who would sometimes send her on personal errands to the market. When asked why permanent workers would make these requests of her, she said, 'We are not staffs (sic); it's like we are under them....They underrate us.'<sup>18</sup> Thus, while Felicia felt she was generally treated well, the 'favours' she

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<sup>16</sup> Interview with Henrietta, Bank 3, Kumasi, August 6, 2010.

<sup>17</sup> Interview with Union Leader of Bank 1, Accra, August 3, 2010.

<sup>18</sup> Interview with Felicia, Bank 1, Accra, July 17, 2010.

did for her colleagues suggested that, as an agency worker, she was not regarded as being at par with the permanent workers. Promise also recounted that when he first started working in his bank, he was treated with respect by his co-workers until they learned that he was an agency worker. Not only did he then begin to sense less respect from them but he also had less access to information and even to some spaces in the bank, such as the vault. Finally, Alberta narrated little incidents that made her feel excluded:

The other staff, those who are permanent, even the way they talk (to us) ...They will be laughing with you but (then) behind your back...they say all sorts of things behind your back.<sup>19</sup>

There does appear to be some variation in how agency workers are treated, depending on a number of factors: One is the position the agency worker occupies, whether front and centre and interacting with permanent workers, or on the periphery as a cash collector or bulk teller. In interviews with HR managers and union leaders, the impression given was that having agency workers do core work (e.g. as mainline tellers or sales representatives) produces more tension between them and permanent workers than when agency workers are off in the backrooms doing administrative work as secretaries or out of the branch collecting monies to deposit on behalf of business customers.<sup>20</sup> The decisions of the line and branch managers in terms of structuring work for agency workers, including their placement, are important in shaping the work experiences of agency workers. That is to say, there is no standard policy among banks or even within a single bank. For instance, some banks reported having agency staff at all social events such as Christmas parties, but not all banks included them in formal banking events such as training programmes. As one HR manager stated, 'It's a thin line between the arms-length policy and trying to be inclusive because differences in treatment can be seen as discrimination; on the other hand, you want to keep [agency workers] at arm's length for your own indemnity.'<sup>21</sup>

It does bear remarking that, despite the trying conditions under which female agency workers laboured, they found the banking sector attractive for a variety of reasons. Consider also Tina who said of her previous income-generating

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<sup>19</sup> Interview with Alberta, Bank 2, Accra, August 23, 2010.

<sup>20</sup> Interview with HR Manager of Bank 4, Accra, July 19, 2010.

<sup>21</sup> Interview with HR Manager of Bank 2, Accra, July 19, 2010.

activities (sewing and running a small grocery store), ‘It wasn’t my work’, despite the fact that these earned her sufficient income to take care of herself. She wanted to do ‘office work’, which she considered to be more prestigious, and therefore was happy to get a job doing cash collection for the banks because it got her a foot into the industry. She was even happier to go from cash collection to working as a bulk teller,<sup>22</sup> even though it meant longer hours, because it put her inside the bank and closer to her dream of one day becoming a ‘manager’.<sup>23</sup> Felicia also took obvious pride in being a bank worker:

At that time [when I went from trading to working with the banks], I changed entirely. I became a lady. Because when I am wearing the uniform, I look very nice in it. When I am counting the money or someone sees me in the cash van, I feel very big, you see, I feel fine.<sup>24</sup>

Indeed, the question of physical image and presence came up frequently in the interviews. In much the same way that a lawyer’s robe or a doctor’s white coat signifies professionalism and other positive attributes, for the bank workers, the conventional Western suit (or uniform for the cash collectors) was very important. As a union leader said, ‘As a banker, if you are in the frontline, [wearing suits] impacts on your work; you look professional and you act professional too’.<sup>25</sup> Alberta, a university graduate, admitted that, beyond how well she believed the banks paid, the physical appearance of bank workers was her motivation for aggressively pursuing a job within the banking industry: ‘I like people who dress neatly. I always go to the bank and I see the managers and they are always looking sharp.’<sup>26</sup>

Clearly, then, the agency workers felt a sense of pride and perceived a rise in their social status despite their employment status. These appear to be the calculations that agency workers who stay with the agencies make in the face of the many disadvantages associated with their work.

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<sup>22</sup> Bulk tellers handle physical cash (counting, sorting, etc.) in back rooms, in contrast to the regular tellers who worked on the banking floor dealing directly with customers.

<sup>23</sup> Interview with Tina, Bank 3, Accra, August 3, 2010.

<sup>24</sup> Interview with Felicia, Bank 1, Accra, July 17, 2010.

<sup>25</sup> Interview with Union Leader of Bank 1, Accra, August 3, 2010.

<sup>26</sup> Interview with Alberta, Bank 2, Accra, August 23, 2010.

## Conclusions

Given women's disproportionate participation in the informal sector, their entry into the formal work place is seen as an escape from poverty, insecurity, and other harsh conditions. In this paper, we point to the ways in which entry into formal sector work, at least for agency workers, does not actually deliver on decent work. While employment in the banking sector is considered formal, the experiences of women hired through employment agencies indicate labour relations that are more characteristic of the informal economy. This state of affairs has been encouraged by a liberalised global economy that creates a national policy environment that favours private enterprise to the detriment of workers' welfare. Since Ghanaian women are part of a globalising economy, the findings of our study are relevant to armies of working women around the world who wake up in the morning, put on 'professional' clothes to go to offices, call centres, and banking halls; women who look like what we would expect formal workers to look, who work in spaces we think of as being formal, and yet who are engaged in work that has many features of informality.

It has been suggested that an important reason for the state's reluctance to better regulate labour relations is the economic benefit that comes from low wages and a lax labour regime, particularly in terms of foreign investments (Tsikata, 2009). What is the incentive then for the government to give attention to the conditions of workers? We suggest that workers' unions can be a formidable source of pressure on the government, given their history of political engagement.

Generally, the challenges to the unionisation of informal workers are that their activities and physical locations are fragmented, and they are heterogeneous in terms of the categories of employees and employers who work in the informal economy. However, in the particular case of agency workers, we observe relative stability in their relationships with the employment agencies, who are their de facto employers. Further, many agency workers aspire to remain in the same line of work. These circumstances are promising for unionisation. On the deficit side is agency workers' ambiguous legal status: agency workers are casual and temporary workers by the banks, while being treated as default employees of the employment agencies who, legally, are not licensed to be employers. Thus, workers from agencies who do not have a contract with the banks as casual or contract workers are legally neither employees of the banks

nor of the agencies. The Ghana Trade Unions Congress, and the unions for bank workers, can help push for legislation to clarify the status of agency workers and to subsequently explore the possibility of unionisation.

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