

## **Mergers and Acquisitions in the Banking Sector: The West African Experience**

**Authors :** Sunday Odunaiya

**Abstract :** The statistics of banks in operation in this current dispensation compared to some decades ago has brought about a lot of changes on the face of the financial system. The demand of customers, technological advancement, and government policies among others has therefore generated a lot of heat for financial sector's growth, sustenance and survival. This paper discusses mergers and acquisitions (M&A) in banking sector using West Africa as a yardstick of evaluation. It explains rigorously the conditions that warrant mergers and acquisitions in the banking sector, its effect, and how to ensure mergers and acquisitions effectiveness in the banking sector. The conceptual and empirical review of the relevant literature were done systematically while value-increasing and value-decreasing theories were used to substantiate the discourse. Findings of this paper show that mergers and acquisitions is a practical and conscious activity in Nigeria, Ghana and Ivory Coast from earliest time till date with tremendous turnaround in the financial sector. It was found out that M&A is consensually arrived at by the targets and the acquirer on a value-based account. In other words, merger and acquisition is a deliberate decision reached by the management of such bank for a 'just cause'.

**Keywords :** acquisitions, merger, management, financial sector

**Conference Title :** ICFA 2018 : International Conference on Finance and Accounting

**Conference Location :** New York, United States

**Conference Dates :** June 03-04, 2018