

Corporate Social Responsibility

Chapter 11

Workplace Politics and Employee Loyalty of Banks

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ABSTRACT

The chapter in book concluded that employers and managers should incorporate an anti-workplace politics mechanism into the business and the human resource department should be strategically proactive by providing an effective procedure for selection in these selected banks. The following recommendations are premised; employee should be adequately rewarded based on meritocracy to create a standard that will be included in norms. Tribes, friends and family ties should not be a yardstick for promotion and reward, meritocracy should be the only standard for promotion.

INTRODUCTION

One definition of management is "the structure and process through which authority and power are used to set organisational objectives, directions, and other factors." To further one's own interests at the detriment of others and, at times, at the price of the organization's overall mission is a classic example of workplace politics (Wayne, Liden, Craf, and Ferris, 1997).

Personal conflicts, competition for resources, leadership positions, and tactical influence used by individuals and groups to gain power manifest themselves in a variety of ways, including the construction of personal structures, the restriction of information flow, the concealment of true intentions, the formation of coalitions, and the manipulation of data (Wayne, Liden, Craf, & Ferris, 1997). Employees who discriminate against coworkers or who vie for the company's resources at the cost of their colleagues engage in workplace politics, which is a serious problem in modern organisational behaviour. Managers and workers who spend too much time worrying about office politics often end up paying less attention to their actual work.

Ferris and Kachamar (1992) found that workers' views on politics were a reliable predictor of lower levels of job discontent. Politics in the workplace is seen differently by various people, and it may be utilised to keep things the same, even if change is inevitable. Whether or if political activity is helpful to the organisation may rely more on how such action is perceived than on the facts (Parker, Dipboye Jackson, 1995).

However, research on office politics consistently shows that it has a negative impact on workers' attitudes. Workplace politics may lead to a number of negative effects, according to researchers Kacmar Bozeman, Carlson, and Anthony (1999). Most office politics take place at the administrative level, making it all the more important to investigate how individual traits influence workers' impressions of workplace intrigue. Research has shown that tension, hostility, and other negative social behaviours are telltale signs of unhealthy workplace politics in any organisation (Chang Roseen and Levy, 2009; Mungwari, 2018).

If employees are targeted in destructive office politics, they will experience increased levels of stress, frustration, and demotivation. This is because political conduct includes things like bullying and power abuse, even if they aren't strictly part of one's job description. Office intrigue is often code for bullying in the workplace. This bias may take the form of undermining an employee's

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performance review, blocking them from receiving promotions or raises tied to their work, or even forcing them out of the company altogether if they are seen as a danger.

Workplace politics, as defined by Nihal, Samet, and Ozgur (2016), is the practise of using one's position within an organisation to achieve one's own ends, regardless of whether those ends are in line with the values of the organisation as a whole or whether the means to achieve those ends are sanctioned by the workplace.

Concept of Workplace Politics

Workplace politics, as described by Mintzberg in Mustafa and Murat (2012), are "informal, parochial, generally contentious, and illegitimate activity aimed at replacing legitimate authority in various ways." Politics at work may also be seen as a social influence process in which individuals' actions are calculated to have the greatest impact on their own material well-being. They are the steps that people take to influence others to help them achieve their own aims, but which are not sanctioned by any group. Examples of political behaviour include going against the company's policies, trying to curry favour with the boss and execution managers in order to secure preferential treatment (such as more favourable tasks or promotions), undermining a coworker in order to advance one's own career, or keeping information to one's self.

Workplace politics, as described by Dubrin in Shamaila and Aylia (2012), may be seen as a means of unofficially advancing one's position in the workplace. One interpretation of politics is that it is utilised to gain power by questionable means. All of these things have been done for the sake of self-gain, such as to advance one's career, amass vast sums of money or other resources, or secure a desired undertaking. But the reality of office life revealed competing priorities inside the company. Since many companies have competing priorities, office politics are inevitable (Ogiruche, 2014). According to the research, workplace politics may affect an organization's success in both good and bad ways. Some examples of these are:

It's necessary for leaders to participate in politics if they want to get things done, which is fair. A more telling inquiry would be whether or whether they were utilised to further causes inside the organisation that benefit everyone equally. Every single member of a company is affected in the same way by power, influence, and politics.

Employees are influenced to work harder and generate more positive attitudes and behaviours if they see signs of similar traits in at least four other people in their workplace, according to the equity theory and the ideal of social exchange and social reciprocity (peers, supervisors, the management and the organisations as a whole).

Ogwuche (2014) cites research from Robbin and Judge showing that promotion choices are among the most politically charged activities in any company. People will compete for scarce resources and work to sway a decision in their favour if they believe it may lead to a promotion or higher standing in the organisation. This suggests that the problem of manipulation lies at the heart of office politics. Any interaction involving the use of subterfuge to attain an end by one or both sides may be considered manipulative. When resources are few at work, employees may feel pressured to prioritise their own objectives at the expense of those of their coworkers.

Third, authority and power are typically addressed simultaneously in discussions of office politics, although there is considerable ambiguity between the two concepts. The word "power" is most often used and is one of the most crucial synonyms. Because of their impact on one's capacity to achieve one's aims and protect one's interests within a social structure, politics and power have been universally acknowledged as integral components of human conduct. Ogwuche (2014). There are both good and bad effects of office politics, just as there are of other elements that impact an organization's long-term viability, performance, profit, and productivity.

There is a common belief that competitive phenomena tend to be more productive and efficient than those without competition. People who aspire to higher leadership positions inside a company will shine brighter in a political environment, and those in charge will have a better chance of selecting the leader who will bring the most success to the business.

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Efficiency in Choice Making Is Boosted When Several Options Are Considered Having multiple options for each decision increases efficiency. When there are several candidates for an open post, office politics may help narrow the field to one most suited to the job.

Perceptions of Conflict Workplace politics has the potential to exacerbate tensions during the selection of new leaders and the filling of open posts. In doing so, the company will be aided in attaining objectives that cannot be measured in monetary terms.

The grapevine is a powerful tool for acquiring information for business management, since it allows them to learn about potential new hires and their backgrounds via casual conversation.

Improper Leadership: Office politics almost always lead to inept managers (Yara, 2017). It's not always about a person's intelligence or experience level to be a leader. This kind of job calls for traits like the ability to multitask, investigate, listen, make predictions, plan, and make decisions, among others. These often do not come with formal education or training, and workplace politics and lobbying may prevent leaders' skills from being properly evaluated.

Discord and mistrust are the results of office politics. Those that were bested may have trouble cooperating with the selected individual. The outwitted will try to derail the selected ones' progress by providing them with a helping hand or a bad attitude; this may damage lines of communication, which in turn can hinder the achievement of organisational goals and objectives. As soon as you have more than two people working toward a same objective, conflicts are certain to arise. When employees engage in office politics, it increases the likelihood of strife inside the group. The most competent individual may not be well-connected with the organization's decision-makers. Those who feel they were wrongfully chosen may have trouble cooperating with the person chosen.

Politicking in the workplace frequently leads in bad management because competent individuals have been outsmarted by the practise of lobbying and game plays, and leadership affects the quality of the management team and the success of the firm. Poor management has an impact on the organization's appropriateness, which in turn affects its performance. Enhance Workplace politics is the epitome of mediocrity. In certain cases, the individual with the fewest qualifications may be chosen if they were in close enough proximity to the decision-makers to be considered a sure thing. Reduced Job Satisfaction: A Meritocratic, Fair, and Level Playing Field for All Employees Will Do Wonders! Employees who meet the criteria for each job opening should be offered the opportunity to take it. Workplace politics that lead to the selection of an employee for a position, as suggested by Kpitoo (2015), may lead to unhappiness in one's current position.

Employee Loyalty

Workers who experience a strong sense of loyalty to their present company are less inclined to look elsewhere for employment. Loyalty in the workplace is defined as an individual's dedication to the well-being of their employer and their conviction that they are making the greatest possible career choice by joining that company. Workers are an organization's greatest strength. They need to trust that you care about them as an individual and as a member of your company, so that they stay put and keep giving it their all. The success of a business relies heavily on the dedication of its workers. Employers used to guarantee job security in return for dedication and devotion from their employees, a practise known as "lifetime employment," but this no longer exists. Employers nowadays are under increased pressure from shareholders to increase profits, making it difficult for them to provide permanent positions with job security. Dedicated workers are individuals that understand their role and do all in their power to excel at it.

The Forbes article states that "hefty earnings" result from happy, loyal staff. Employee loyalty may be encouraged in several ways.

Powerful Management: Strong loyalty is inspired by this, and if you show a lot of loyalty to your team, you'll get a lot of loyalty back. To get the most out of your team and establish the groundwork for long-term success in these challenging times, it's important to instil a sense of loyalty in them.

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Give Your Workers Some Proof That You Believe In Them: People are more likely to show trust and appreciation for those who show it to them. Involve your staff in decision-making as much as possible, and allow them the leeway to act on their own. Employees are the link between your company and its clients since they are the ones who will be dealing directly with them. Loyal workers will gladly speak well about your company on their own time, which will increase client confidence.

The Importance of Offering Appropriate Rewards to Employees Respect and loyalty are fostered in part by being acknowledged. Not acknowledging workers' achievements, whether professional or personal, might make them feel unappreciated and undervalued. Because of this, many workers start seeking elsewhere for employment.

Maintain an even keel: A firm that allows disruptive personnel to continue working there will find it difficult to inspire loyalty from its workforce. Abuse from superiors and peers at work is a major source of tension (and therefore turnover) Be a fair and honest leader by treating your employees with respect. Commitment, as defined by (Northcraft, 1996), is both a state of mind that demonstrates an employee's devotion to the organisation and a dynamic process by which members of the organisation show their interest in the group's future success and well-being. It was determined in his work (C. Padmavathy et al., 2012) that if managers. It will never be effective in inspiring dedication and devotion in one's staff.

There's more to it than just showing up for work on time and not making any egregious mistakes while needing less checks and balances from superiors. The research has its limitations, though. It only looks at two aspects: service quality and commitment.

Equity Theory

J. Stacy Adams (1963) proposed the Equity hypothesis, which seeks to ascertain whether or not a certain resource allocation is equitable amongst the parties involved in a given relationship. To determine fairness, we look at how much effort each individual puts in relative to what they get in return.

Workers attempt to ensure that their contributions to a task and the results they achieve are comparable to those of their peers (Adams, 1963). According to Equity Theory, we design systems where resources may be properly distributed across members of a community in order to maximise individuals' gains. When there is disharmony in a relationship, the parties involved feel a level of dissatisfaction that is proportionate to the degree of disparity. Workplace equality is based on a fair distribution of resources, measured by the outputs produced for each input. Employee inputs include things like time, energy, expertise, and passion put in by the worker on behalf of the company. Pay, benefits, bonuses, and rewards all fall under the category of output. If an employee believes he is being treated fairly—that is, if the ratio of his input to his output is about the same as others around him—then he will rate his treatment favourably against that of similarly situated workers at other organisations. However, there will always be room for improvement if some employees feel that they are not being fairly compensated for their efforts.

The theory of procedural justice is based on the principle of treating disputants fairly and allocating resources equitably. Procedural justice, in contrast to distributive justice (equal distribution of rights or resources) and retributive justice (punishment for wrongdoing), emphasises openness and honesty in the decision-making process (fairness in the punishment of wrongs). Perceptions of fairness in result distribution are at the heart of procedural justice, and this concept represents the degree to which a person believes that justice has been done. Fair practises assist show workers they are important to the organization's success.

Focusing on the formal processes that are utilised to determine decisions is one example of procedural justice. One facet of organisational fairness is known as "procedural justice," and it's vital in the workplace since it ensures workers are treated fairly, have a voice in crucial decisions, and have input into performance reviews. A fair procedure also plays a significant role in encouraging employees to voice their concerns. It has a good association with promotion

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opportunities for managers. When people are treated fairly throughout the legal process, it leads to a more equitable workplace.

Leventhal's rule states that procedural justice must adhere to six tenets: uniformity, the elimination of prejudice, precision, competence, fairness, and decency. In order to provide procedural justice in the workplace, policies and processes must be fair to all employees, consistently apply to all situations, and adhere to the highest moral and ethical standards.

CONCLUSION

In conclusion, it is stated that the workplace politics has great impact on employee loyalty. Employer and supervisor examined in banking sectors should incorporated anti workplace politics mechanism into business activities and functions and make the human resources department strategically proactive. The effective procedures for selection and promotion in these selected banks will produce and sustain outcomes which necessitate their performance with regards to enhanced services quality devotedness and length of services.

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