

**EMPLOYEE LOYALTY AND ORGANIZATIONAL PERFORMANCE OF COMMERCIAL BANKS  
IN RIVERS STATE**

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**ABSTRACT**

The study examined the relationship between organization goal personalized and resource maximization in paint manufacturing firms in Rivers State, Nigeria. The objective of the study was to determine the relationship between organizational performance and resource maximization of commercial banks in Rivers State. The study adopted the explanatory cross-sectional survey research design. A sample of 100 respondents was drawn from an accessible population of 155 full-time staff of the head office of 10 accessible commercial banks in Rivers State using Krejcie and Morgan Sample Size Determination Table. The study also employed Bowley's formula and random sampling in the selection of respondents. After validation by the supervisor and two other experts in human resource management, Cronbach alpha was used to test the reliability of the instrument. Out of 100 copies of the questionnaire administered, a total of 70 copies were retrieved. Mean and standard deviation were used for the univariate analysis; Spearman Rank Order Correlation Coefficient was used for the bivariate analysis. The findings revealed that a significant positive relationship exists between organizational goal personalization and resource maximization in commercial banks in Rivers State, Nigeria. The study concluded that employee loyalty enhances the organizational performance of commercial banks in Rivers State. It was therefore, recommended amongst other things that management should improve on their reward system in order to sustain employee loyalty which will boost performance.

***Keywords: Organization Goal Personalized, Resource Maximization, Organisational Performance, Employee Loyalty***

**INTRODUCTION**

The maximization of resources is very much important in getting desired results. Many of the firms can fail as they cannot properly utilize the resources and ultimately face solvency issues due to the loss in resources. Resources maximization is termed as the resources management in the organisations such as the company financial resources funds, human resources, utilizing organisations tangible as well as non-tangible resources. Proper maximization of resources can increase the productivity, market share, sales, and turnover on the investments. Resource maximization is the process of making the most of the resources available in order to achieve the objectives of that is set to be achieved (Dibrova, 2016). This is with respect to an organisation where a project needs to be executed and then resources, both human and nonhuman are allocated onto the project depending on skills and availability. Resources maximizations measures 'how' effectively an organisation is making use of the available resources.

Another element of organisational performance is resource maximization. Barney (2024) sees resource maximization as the efficient and effective use of an organisation's financial, human, and technological resources to achieve its objectives. In commercial banks in Rivers State, resource maximization is crucial for maintaining operational efficiency and achieving profitability. This includes optimizing workforce productivity, leveraging technology for better service delivery, and prudent financial management. Employees who are committed and aligned with the bank's goals contribute significantly to resource maximization by ensuring optimal utilization of resources and reducing

wastage. Effective resource maximization enables banks to offer competitive products and services, improve customer satisfaction, and sustain long-term growth. Another way of examining how a commercial bank is performing is to examine their customer satisfaction. Customer satisfaction in the context of commercial banks in Rivers State refers to the quality of interactions and support provided to clients throughout their banking experience. High-quality customer satisfaction is fundamental to retaining customers and fostering loyalty, which directly impacts the bank's performance. Loyal employees who prioritize enterprise first behaviour and align with organisational goals are more likely to provide exceptional customer satisfaction, addressing client needs efficiently and courteously (Zeithaml et al., 2018). Effective customer satisfaction not only resolves issues promptly but also enhances the overall customer experience, leading to increased customer satisfaction and positive word-of-mouth referrals, thereby strengthening the bank's market position and profitability.

Goal pursuance is operationally the acceptance and pursuance to achievement of the goals of an organisation. Employees who personalize the goals of their organisation do not only identify and accept the goals of their organisation, but also pursue those goals. All of these point to the fact that such employees are committed to the organisation. Organisational goals are as far as possible, expressed in quantitative measurable, and concrete terms desired to be achieved within a given time period. Goals are firm commitments of the organisation to accomplish something specific. Organisations direct their scarce resources and energies into area that will help them to attain their goals. To motivate efforts, goals should be linked to reward. An organisation may have multiple goals to pursue in a given period of time. When organisations have such multiple goals to attain within limited time, financial and material resources, priorities are fixed. Most crucial and urgent goals are given top priorities.

In commercial banks within Rivers State, Nigeria, employee loyalty is increasingly recognized as a significant determinant of organisational performance. Employee loyalty refers to the degree of commitment and dedication an employee has towards their organisation, characterized by a willingness to prioritize organisational goals and a tendency to align personal objectives with those of the company. In the context of commercial banks in Rivers State, employee loyalty manifests through three key dimensions: employee commitment, enterprise first behaviour, and organisational goal personalization. Employee commitment is a key dimension of loyalty that directly influences organisational performance. Committed employees tend to exhibit lower turnover rates and higher levels of job performance, which are essential for the stability and efficiency of banks. Research has shown that employee commitment is strongly linked to increased organisational productivity and effectiveness (Meyer & Allen, 1997). In the banking sector, this translates to more reliable customer satisfaction and meticulous financial management, contributing to the overall performance of the bank (Dixit & Bhati, 2012).

These studies proved that studies on organizational goal personalization and resource maximization in hospitality sector, various banking sector, Coca Cola Nigeria Limited, were carried out in Nigeria and outside of Nigeria, but none of them focused on how organizational goal personalized interacts with resource maximization of commercial banks in Rivers State. It therefore implies that there is a gap in literature, which is what this study stands to fill.

### **Objective of the Study**

1. Determine the relationship between organisational goal personalization and resource maximization of commercial banks in Rivers State.

### **Research Question**

1. What is the relationship between organisational goal personalization and resource maximization of commercial banks in Rivers State?

### **Research Hypothesis**

Ho<sub>1</sub>: Organisational goal personalization does not have any significant relationship with resource maximization of commercial banks in Rivers State.

### **Organisational Goal Personalization**

This describes a situation whereby employees out of their emotional attachment for the organisation regularly perform assigned tasks to the best of their ability and make an extra effort to help out beyond the realms of their specified job roles and form an attachment to the goals and values. Organisational goal personalization refers to the bond an employee has with an organisation due to an affinity with or affection for the goals and values of the organisation. Organisational goal personalization is also referred to as affective commitment. Meyer and Allen (1997) in Zeb-Obipi and Agada (2018) described organisational goal personalization as how much an individual 'wants' to remain in the organisation. Organisational goal personalization encapsulates the extent or degree of employee's identification with goals, acceptance of goals, and pursuance of goals.

Organisational goal personalization entails an affective orientation of the employees towards the organisation. Employees who personalize the goals of their organisation continue service with an organisation because they want to do so and not to return a favour or for some benefits and opportunity costs. The development of affective commitment involves recognizing the organisation's worth and internalizing its principles and standards (Beck & Wilson, 2016; Dixit & Bhati, 2012). Organisational goal personalization can therefore be conceptualized as the degree to which an individual is psychologically attached to an employing organisation through feeling such as loyalty, affection, worth, belongingness, pleasure and so on.

Organisational goal personalization typifies the emotional association of an employee with its organisation and objectives. It is based on (1) "faith of the employees in the organisation's objectives, (2) their readiness to put forth effort in order to achieve organisational objectives, and (3) a strong wish to be a part of the organisation" (Porter *et al.*, 1974 cited in Zeb-Obipi & Agada, 2018). Additionally, explicit manifestations of organisational goal personalization include identification with organisational goals, goal acceptance, and goal pursuance.

**Identification with Organisational Goals:** Jaja and Okpu (2013) reported in their research that organisational goal personalization has to do with a person's emotional attachment and identification with their organisation. A worker who identifies with goal of the organisation remains in the organisation because he wants to; this highlights the emotional bond and identification that worker has with the organisation, which is portrayed by feelings of devotion, belongingness and stability. An affectively motivated person identifies, accepts, and pursues the goals of the organisation where he works. Out of the love and passion an employee has for the organisation he is working for, he is proud enough to identify with, accept, and pursue organisational goals (Zeb-Obipi & Agada, 2018). An affectively motivated person identifies, with the goals of the organisation where he works as reported by Okpu and Jaja (2013). Affectively committed employees out of their emotional attachment for the organisation regularly perform assigned tasks to the best of their ability and make an extra effort to help out beyond the realms of their specified job roles and form an attachment to the goals and values of their organisation.

**Goal Acceptance:** Employees who personalize the goals of their organisation align themselves with policies, procedures and the achievement of set targets of an organisation. Such an employee heartily accepts the culture and values of the organisation. He does not allow his personal feelings or goals to interfere with organisational goals (Hook, 2023; Ejabefio & Lawrence, 2018). Acceptance of corporate goal as a measure of affective commitment underlines the extent to which an employee loves his organisation and willingly welcomes and personalizes the goals of the organisation. Pursuance of organisational goals here talks about the extent to which an employee puts in extra effort just to ensure that organisational or departmental targets are met no matter how inconvenient it might be for him.

**Goal Pursuance:** An organisational goal is the end-point toward which activities are aimed (Abo-jarard *et al.*, 2016). It is the [target](#) or end that managers want to reach. [Goals](#) provide direction and serve as a reference point. Goals are the raisin deter of an [organisation](#). In other words, goals are the reason for the existence of an organisation. If an organisation fails to achieve its goal, it can be said that it has failed in its objectives. Thus, goals are critical to organisational success and effectiveness.

### **Resource Maximization**

Resource maximization conceptually refers to the ability of administrative workgroups to make best use of human and material resources at their disposal to achieve set targets. Resources are very much important in the day-to-day investments and decision-making process. Financial resources for example may include cash, loans, debt funds, equity funds, bonds, bills, securities, shares, small loans from friends and families, short term and long-term loan (Dibrova, 2016). All the business operations are based on the how well they manage their resources to get the efficient work. If the resources are better maximized, much of the operations get smooth and organisation grows in a best way. If resources are not managed well it leads to the complexity of the work and problems for the organisation's employees to work in a rich environment. It leads the organisations to the profit side so that it impacts on the overall performance of the business (Xiang & Worthington, 2017).

One cardinal example of organisational resource is financial resource. Vitez (2013) defined financial resources as funds for starting or continuing business operations. Financial resources therefore mean cash or credit available to agricultural enterprise for starting and running the business. Financial resources are the purchasing power of an enterprise. The purchasing power could be in form of cash or credit. Financial resources management concerns with the effective and efficient utilization of the organisation funds to get the goals of the organisation (Al-Najjar & Al-Najjar, 2017). In the work of Al-Najjar and Al-Najjar (2017), they also maintained that resource maximization is important since organisation have a limit on available resources. This is one of the basic axioms of economics: every direction of allocation competes for 'scarce' resources. Nevertheless, Sharma (2023) postulated that organisations could maximize their resource by keeping track of expenses and budgets, automation, and professional consultation. Notwithstanding, the determinants of Resource maximization in this work are financial resource maximization, human Resource maximization, and operational efficiency.

**Financial Resource Maximization:** Finance is the lifeblood of any organisation, be it small, large, for-profit, not-for-profit, etc. It is, therefore, extremely important that the finances of the organisation are managed in the most efficient and effective manner to ensure long-term viability, sustainability and profitability (except not-for-profit organisations). Today, more people realize the importance of financial management in personal and professional spheres. Utilization of financial resources refers to their economical use. In other words, we see to it that financial resources are actually being used for what they have been intended. Inefficiency in the use of financial resources may be caused by extravagance in the choice of property and equipment, unnecessary expenditures, tardiness of personnel and non-productive resources (Al-Najjar & Al-Najjar, 2017).

Financial resources maximization refers to organisational ability to effectively and efficiently use their funds towards the attainment of predetermined objectives. This requires a periodic review of operations to determine whether they are in accordance with plans and whether the plans, as prepared, will enable the company to attain its short-term goals and long-term objectives considering the changes in the economic environment. Financial resources must be utilized in a manner that minimizes company costs arising from wastages and lost opportunities due to delays

in operations and idle or non productive resources. It requires adoption of effective control measures.

While all the functions of financial management are equally important, special stress is laid on fund utilization. This is because effective and efficient fund utilization enables organisations in profit and wealth/ returns maximization, minimization of the cost of capital, improving savings and bettering its value. When funds are optimally utilized, it will help the organisation grow and flourish in the long-run.

**Human Resource Maximization:** Human Resource maximization, as an indicator of resource maximization, means the process of improving on the performance and productivity of employees through instigators such as incentivization, training, pay increment, and the likes. Being that employees are the most important agent of growth and performance in the workplace, they also need to be serviced properly to ensure continuous performance, efficiency, effectiveness, and productivity.

In the opinion of Johansson (2015), human resource entails the act of boosting the productivity of employees through the provision of economic of incentives, enforcing early arriving, and having a firm device policy. According, these tools can do a lot in ensuring that employees increase their productivity speedily and efficiently. Naturally, gifts (which are referred to as incentives in the workplace) have the capacity or ability to influence the behaviour and ability of an individual in the positive direction. In order words, incentives serve as a great force in a workplace, as they help drive employees towards better commitment, performance and productivity. it can even be said that the force of incentives in enhancing human Resource maximization is greater than other forces.

**Operational Efficiency:** Operational efficiency is the relationship between an organisation's output and input, that when healthy, helps businesses cut down on unnecessary costs while increasing revenue (Rewa, 2018). It is what businesses strive to do: produce a high-quality product at scale with as few resources as possible. To decrease extraneous costs, the operations manager must be able to identify which processes in place are not needed. To do this, they need to be able to identify a baseline of operations. The definition of operational efficiency or "operational effectiveness" in a business context is the degree to which an organisation can deliver its goods and services with minimal waste (Wright, 2017). Waste can occur in production, service delivery, labor, finance, logistics, inventory, and any other part of operations and operational costs. The goal of any business is, therefore, to find and eliminate any source of waste. Resource maximization is more concerned about producing at the same level with fewer resources.

### **Theoretical Review**

This study anchored on the Social Exchange Theory as propounded by George Casper Homans in the year 1958. Two other supportive theories related to this study include: Contingency Theory of Management by Fred Edward Fiedler in 1964, and Equity Theory by John Stacey Adams. However, Social exchange Theory is where this study is majorly anchored on.

Social Exchange Theory was propounded by George Casper Homans in the year 1958 (Ehimen & Alegebe, 2023). Social Exchange Theory postulates that "give and take" forms the basis of almost all relationships though their proportions might vary as per the intensity of the relationships.

Pfeffer (1982) cited in Ahiauzu and Asawo (2016) posits that social exchange theory is a behavioural compliance on the part of the individual in exchange for something which is perceived to be contingent on the individual's behaviour. Thus, the social exchange theory is about giving something of more value to others than what has been given to you and also receiving something of higher value than you have given out (Ahiauzu & Asawo, 2016). Some relevant assumptions of the theory are as follows:

- i. In a relationship, every individual has expectations from his/her partners. A relationship without expectations is meaningless;
- ii. Good relationships are mutually beneficial and not supposed to be one sided. An individual invests his time and energy in relationship only when he gets something out of corresponding or higher value from it (Ehimen & Alegebe, 2023).

**Research Design**

The study adopted the explanatory cross-sectional survey research design.

**Research Population**

The accessible population of the study consisted of 155 full time staff working at the head office of 10 accessible commercial banks operating in Rivers State.

**Sample Size/Sampling Techniques**

The sample of this study consisted of one hundred and eight (100) respondents drawn from the population of 155 staff using Krejcie and Morgan Sample Size Determination Table.

**Instrumentation and Measurement**

Structured questionnaire was used as instrument for data collection. The structured questionnaire was developed by the researcher.

**Method of Data Analysis**

Mean and Standard Deviation were used for the univariate analysis while, the bivariate analysis was done using Pearson Product Moment Correlation via SPSS Version 26.0 at 0.05 level of significance.

**Organisational Goal Personalization and Organisational performance**

Ho1: Organisational goal personalization does not have any significant relationship with resource maximization of commercial banks in Rivers State.

**Relationships between Organisational Goal Personalization and Resource Maximisation**

			Organisational Goal Personalization	Resource Maximization	
Spearman's rho	Organisational Goal Personalization	Correlation Coefficient	1.000	0.620**	
		Sig. (2-tailed)	.	.000	
		N	70	70	
	Resource Maximization		0.897**	1.000	0.794**
			.000	.	.000
			70	70	70
			0.676**	0.793**	0.666**
		Sig. (2-tailed)	.000	.	.000
		N	70	70	70
			Correlation Coefficient	0.853**	1.000
	Sig. (2-tailed)	.000	.		
	N	70	70		

\*\* Relationship is Significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2024

Table above shows r value of 0.676 at a significance level of 0.00 which is less than the chosen alpha level of 0.05 for the hypothesis relating organisational goal personalization and resource maximization. Since the significance value is less than the alpha level of 0.05, the null hypothesis (Ho<sub>1</sub>) which states that organisational goal personalization does not have any significant relationship

with resource maximization of commercial banks in Rivers State was rejected and the alternate hypothesis ( $H_{a1}$ ) is accepted. This implies that organisational goal personalization has a high significant relationship with resource maximization of commercial banks in Rivers State.

### **Organisational Goal Personalization and Resource Maximization**

The test of hypothesis one stated above revealed that organisational goal personalization has a significant positive relationship with resource maximization of commercial banks in Rivers State. This implies that employees' ability in ensuring that they personalize with organisational goals and set objectives will lead to high performance of their respective commercial banks in terms of corporate image (public trust, customers' rating and employees' rating), resource maximization (financial resource maximization, human resource maximization and operational efficiency) and customer satisfaction (customer complaint resolution, customer referral and customer time saving). This is predicted on the ground that employees who personalize the goals of their organisation continue service with an organisation because they want to do so and not to return a favour or for some benefits and opportunity costs. This means that such employees are affectively connected with the organisation; they do not attach benefit to their love and commitment to the organisation (Beck & Wilson, 2016; Dixit & Bhati, 2012). Whatever commitment they devote to the organisation, they do it willingly and not because they expect anything in return. Such employees are not individuals with eye service. It therefore implies that having such employees around a work environment is having a pack of treasure that the organisation can leverage on with pride. It now behooves on organisations to be responsible towards their employees such that these employees will show so much affection for the organisation. The development of organisational goal personalization involves recognizing the organisation's worth and internalizing its principles and standards.

### **CONCLUSION**

Based on the results and findings, the study concluded that organizational goal personalized significantly relates with resource maximization of commercial banks in Rivers State. The study also concluded that commercial banks in Rivers State who fail to retain loyal employees will find it very difficult in achieving high employee performance and this will have very negative force on their overall performance as business establishments.

### **RECOMMENDATIONS**

Based on the findings and conclusions, the following recommendations were made:

1. Management should create modalities that will make employees to be committed affectively to their firm.
2. Management should retain employee who identify with the organisational goals and set objectives.
3. Highly level of interpersonal relationship should be encouraged by management of commercial banks to facilitate pursuance and attainment of goals and set objectives collectively.
4. Management should ensure that they adopt equitable reward strategy to motivate employees, this will make employees realize the fact that they will be rewarded base on their respective efforts.

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