

# The Effect of Employment Protection Laws on Employee Performance in Deposit Money Banks in Rivers State

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**Abstract:** *This study examines the intricate relationship between employment protection laws and employee performance within the context of Nigeria's dynamic banking sector. Nigeria, as a rapidly evolving economy, has seen its financial institutions, particularly deposit money banks, grapple with the challenges of balancing labor regulations and the need for optimal employee performance. To shed light on this critical issue, this research incorporates a comprehensive analysis of the local labor laws and their implications on job security, dispute resolution, and employee innovation and problem-solving capabilities. The study employs a mixed-methods approach, combining quantitative surveys and qualitative interviews with 150 employees across five prominent deposit money banks in Nigeria: Access Bank Unipoint, Fidelity Bank Unipoint, UBA Aba Road, GTB Location, and First Bank Aba Road. Key research questions focus on the influence of job security and dispute resolution mechanisms on the quality of work and the ability of employees to innovate and solve complex problems in these banking institutions. The findings reveal intricate dynamics, suggesting that employment protection laws play a significant role in shaping employee performance. Job security is found to positively influence the quality of work and innovation, while effective dispute resolution mechanisms are associated with improved work quality. These insights hold significant implications for both policymakers and banking industry stakeholders, emphasizing the importance of a balanced regulatory framework that fosters employee job security and effective dispute resolution for enhanced performance within Nigerian deposit money banks.*

**Keywords:** *Employment Protection Laws, Employee Performance, Job Security, Dispute Resolution, Deposit Money Banks.*

## Introduction

Deposit Money Banks (DMBs) in Rivers State, Nigeria, are integral to the state's economic landscape. These financial institutions play a pivotal role in facilitating economic transactions, driving financial growth, and providing indispensable banking services to businesses and individuals alike. The banking sector in Rivers State, characterized by its dynamic and competitive nature, relies heavily on factors such as efficient operations, customer satisfaction, and innovation (Amah & Nwachukwu, 2019). Central to these factors are the employees of DMBs, who are the backbone of the sector's growth and prosperity. Within this intricate financial ecosystem, employment protection laws play a fundamental role. These laws establish the legal framework governing the relationship between employers and employees. They encompass a wide range of regulations, from stipulating minimum employment conditions to defining procedures for resolving workplace disputes. In Rivers State, as in many other regions, employment protection laws are essential for safeguarding the rights of employees and ensuring fair and equitable working conditions (Igbinovia & Igbinovia, 2020).

However, the influence of employment protection laws extends far beyond legal compliance. These laws significantly affect job security perceptions among employees. Job security is a crucial variable that significantly impacts employee performance. Employees who perceive their jobs as secure tend to exhibit higher motivation, engagement, and loyalty (Armstrong, 2006). This, in turn, contributes to enhanced performance, greater productivity, and a more positive work environment. Nevertheless, it's vital to maintain a balance between job security and organizational adaptability to avoid potential inefficiencies (Deery, Walsh & Guest, 2011). The relationship between employment protection laws and employee performance within DMBs is multifaceted. When considered together, these aspects highlight the intricate interplay between legal regulations and the human factor in the banking sector. It is within this context that we embark on a comprehensive exploration of the effects of employment protection laws on employee performance within Deposit Money Banks in Rivers State, shedding light on the complexities, challenges, and opportunities presented by this interrelationship.

In Rivers State, employment protection laws are underpinned by federal and state-level legislation. These laws provide a legal framework that governs employment relations and protections. They establish procedures and criteria for employee termination, ensuring workers are not arbitrarily dismissed. Employees in the banking sector, including DMBs, benefit from these safeguards, which provide them with a sense of security and stability in their positions (Luthans & Sommer, 2005). Such security can significantly influence their performance, fostering higher motivation and commitment. Furthermore, employment protection laws often stipulate terms and conditions of employment, including minimum wage levels, working hours, and leave entitlements (Guest & Conway, 2002). These provisions establish a baseline standard of employment that ensures employees receive fair compensation for their efforts. A workforce that perceives itself as fairly compensated and protected by law is more likely to be content, motivated, and committed, factors closely linked to enhanced performance within the banking sector.

However, it's important to acknowledge that while employment protection laws are designed to safeguard employee rights, they can also introduce complexities and potential challenges for both employers and employees. Strict job security provisions may make it more challenging for banks to adapt to changing market conditions by retaining underperforming employees (Rousseau, 1989). Striking a balance between job security and organizational agility is crucial for ensuring that employment protection laws contribute positively to employee performance without hindering the bank's ability to thrive in a competitive environment.

Employee performance within Deposit Money Banks in Rivers State encompasses various dimensions. Effective performance extends beyond the completion of tasks and responsibilities; it encompasses the overall contribution of employees to the bank's mission, goals, and success. Customer service and satisfaction are pivotal aspects of employee performance in the banking sector (Sturges et al 2005). Frontline employees, such as tellers and customer service representatives, are often the face of the bank for customers. The way they handle inquiries, resolve issues, and provide assistance directly impacts customer satisfaction and loyalty. Productivity and efficiency are closely linked to employee performance. Efficient back-office operations, timely processing of transactions, and effective risk management all contribute to the bank's operational excellence (Zohar, 2003). Employees who consistently meet or exceed productivity targets are valuable assets to the organization.

Innovation and adaptability are critical in a rapidly evolving financial landscape. Banks must stay ahead of the curve by embracing new technologies, products, and services. Employees who are open to innovation, willing to learn, and adapt to change positively influence the bank's ability to remain competitive. Effective teamwork and collaboration among employees foster a positive work environment. When employees work well together, share knowledge, and support one another, it enhances overall organizational performance (Agarwal, & Thakur, 2018). Compliance with regulatory requirements and effective risk management are

paramount in the banking sector. Employees who are well-versed in banking regulations and adhere to internal policies contribute to the bank's stability and reputation.

The interplay between employment protection laws and employee performance in DMBs presents a delicate balance that requires careful consideration. While job security provisions can enhance employee motivation and commitment, they can also introduce potential challenges. On one hand, stringent employment protection laws in Rivers State offer employees a sense of job security, which can positively impact their performance. When employees feel their positions are secure, they are more likely to invest in their roles, engage with customers, and contribute to the bank's success (Armstrong & Taylor, 2014). This increased motivation and commitment can translate into better customer service, improved productivity, and higher levels of innovation.

On the other hand, excessively strict job security provisions can make it challenging for banks to address performance issues promptly. When underperforming employees cannot be efficiently terminated, it may hinder the organization's ability to adapt and evolve. In a rapidly changing financial landscape, banks must be agile and responsive to market shifts and technological advancements (Boxall & Purcell, 2008). Overly protective employment laws may create inefficiencies and make it difficult for banks to optimize their workforce. Furthermore, the compliance requirements associated with employment protection laws necessitate that banks invest in comprehensive training and education programs. While this investment can enhance employees' understanding of labor regulations and their rights, it also incurs additional costs for the organization.

The interplay between employment protection laws and employee performance within Deposit Money Banks in Rivers State is a multifaceted and dynamic relationship. Job security provisions can positively influence employee motivation and commitment, leading to improved customer service, productivity, and innovation. However, achieving the right balance between job security and organizational adaptability is crucial to ensure that employment protection laws contribute positively to employee performance without hindering the bank's ability to thrive in a competitive environment. By carefully navigating this complex relationship, DMBs in Rivers State can effectively protect employee rights while fostering a culture of excellence and innovation in the banking sector.

### **Statement of Problem**

The relationship between employment protection laws and employee performance in Deposit Money Banks (DMBs) in Rivers State poses a complex and multifaceted challenge. These laws, designed to safeguard the rights and job security of employees, intersect with various aspects of the banking sector, raising critical concerns (Oyewunmi, 2016). One central issue is the impact of stringent job security provisions mandated by employment protection laws on employee performance within DMBs. While these provisions aim to motivate employees by providing a sense of security, they can sometimes lead to complacency. Employees who feel their jobs are secure may become less driven to excel, potentially affecting the bank's overall productivity and competitiveness.

Another aspect of concern revolves around turnover rates. Employment protection laws often make it more difficult for banks to terminate employees without just cause. While this can contribute to a stable workforce, it also raises questions about the retention of underperforming employees. A reduced turnover rate may inadvertently hinder the organization's ability to rejuvenate its workforce with fresh talent, impacting overall performance (Adeyemo, 2018). Efficiency and adaptability are critical factors in the rapidly evolving banking sector. The protective nature of employment laws might create challenges for DMBs in terms of workforce management. Striking a balance between providing job security and maintaining organizational agility is a complex and ongoing challenge.

Compliance with employment protection laws entails substantial costs for DMBs. Investments in training, legal consultations, and human resource management to ensure compliance can strain an organization's financial resources (Wright & Cropanzano, 2000). These compliance costs impact the bank's profitability and may necessitate trade-offs between adherence to regulations and operational efficiency. Employee motivation and well-being are significant drivers of performance. While job security can enhance motivation, other factors such as opportunities for career advancement and fair compensation play crucial roles. Understanding how these elements interact within the context of employment protection laws is essential in evaluating their overall impact on employee performance.

The role of organizational culture cannot be underestimated. It profoundly influences how employment protection laws are interpreted and applied within DMBs. An organization's culture, shaped by both external legal requirements and internal management decisions, plays a pivotal role in shaping employee behavior and performance (Wang & Hsieh, 2013). Customer experience is a top priority in the banking sector. The quality of customer service provided by bank employees directly influences customer satisfaction and loyalty. Therefore, it is imperative to examine how employment protection laws influence the behavior and performance of employees who interact with customers.

Legal challenges and disputes arising from the application of employment protection laws represent a potential disruption to DMB operations. Such disputes can not only be time-consuming and costly but also affect employee morale and overall performance (Steel & König, 2006). Managing and resolving these issues effectively is crucial for maintaining a harmonious and productive work environment. The relationship between employment protection laws and employee performance within DMBs in Rivers State presents a multifaceted challenge. Addressing these concerns requires a comprehensive exploration of the intricate interplay between legal regulations and human behavior within the banking sector. By gaining a deeper understanding of these dynamics, stakeholders can make informed decisions that promote both the protection of workers' rights and the growth and sustainability of the banking industry in Rivers State.

### **Aim and Objectives**

The aim of this study is to empirically investigate the extent to which Employment Protection Laws influence Employee Performance in Deposit Money Banks in Rivers State. The specific objectives are;

- i. To what extent does job security influence quality of work in deposit money banks in Rivers state.
- ii. To what extent does job security influence Innovation and Problem-Solving in deposit money banks in Rivers state.
- iii. To what extent does Dispute Resolution influence quality of work in deposit money banks in Rivers state.
- iv. To what extent does Dispute Resolution influence Innovation and Problem-Solving in deposit money banks in Rivers state.

### **Research Questions**

- i. To what extent does job security influence the quality of work among employees in deposit money banks in Rivers state?
- ii. To what extent does job security influence employees' innovation and problem-solving capabilities in deposit money banks in Rivers state?
- iii. To what extent does the effectiveness of dispute resolution mechanisms influence the quality of work among employees in deposit money banks in Rivers state?
- iv. To what extent does the effectiveness of dispute resolution mechanisms influence employees' innovation and problem-solving capabilities in deposit money banks in Rivers state?

## Research Hypotheses

H01 There is no significant relationship between job security and the quality of work among employees in deposit money banks in Rivers state.

H02 There is no significant relationship between job security and employees' innovation and problem-solving capabilities in deposit money banks in Rivers state.

H03 The effectiveness of dispute resolution mechanisms has no significant impact on the quality of work among employees in deposit money banks in Rivers state.

H04 The effectiveness of dispute resolution mechanisms has no significant impact on employees' innovation and problem-solving capabilities in deposit money banks in Rivers state.

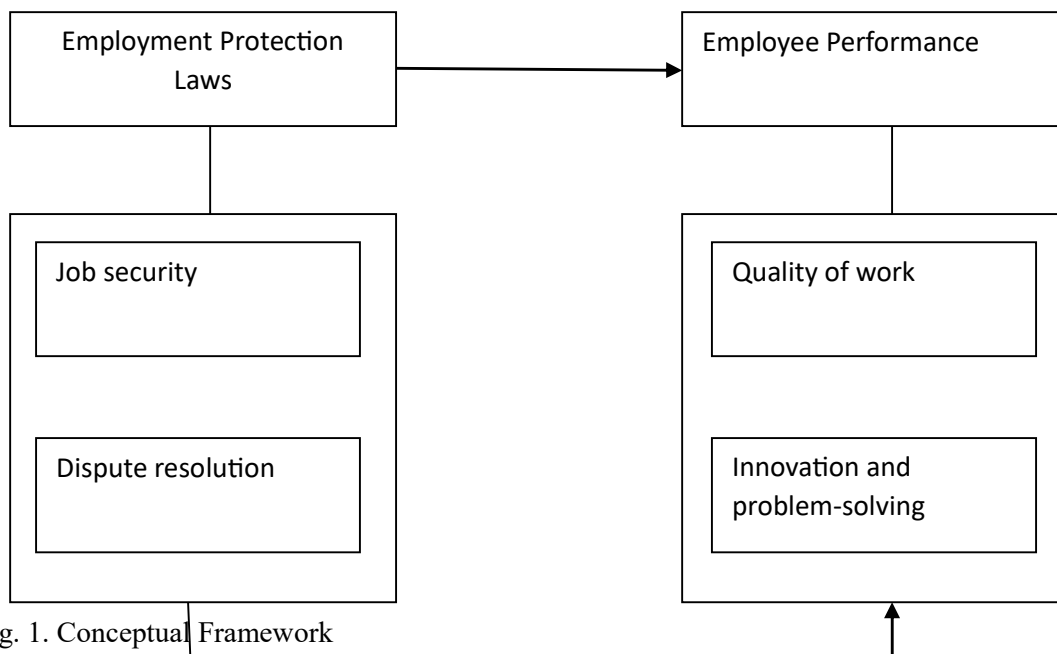


Fig. 1. Conceptual Framework

## Theoretical Framework

### Psychological Contract Theory

Psychological Contract Theory, a fundamental concept in organizational psychology and human resource management, delves into the intricate dynamics of mutual expectations and obligations between employees and employers within the workplace (Robinson & Morrison, 2000). It revolves around the idea that beyond formal employment contracts and legal obligations, there exists an implicit and unwritten agreement that influences individuals' psychological and emotional well-being in their professional roles. In the context of Deposit Money Banks (DMBs) in Rivers State, Nigeria, this theory holds particular significance. DMBs, operating in a highly competitive and dynamic financial landscape, are acutely reliant on maintaining a positive and productive relationship between employees and employers (Tekleab, Takeuchi & Taylor, 2005). Thus, this article aims to elucidate the core principles of the Psychological Contract Theory, its ramifications for DMBs in Rivers State, and how it interplays with job security, employee performance, and overall job satisfaction.



At its essence, the Psychological Contract Theory encapsulates the notion that a tacit and reciprocal understanding exists between employees and employers, transcending explicit employment agreements. This understanding comprises shared expectations and beliefs concerning employment conditions, job roles, responsibilities, and how employees will be treated within the organization. The Psychological Contract manifests in two primary dimensions: the relational contract and the transaction contract (Guest & Conway, 2002). The relational contract emphasizes the socio-emotional aspects of the employment relationship, including trust, job security, and the anticipation of equitable and ethical treatment by the organization. In contrast, the transaction contract is more grounded in tangible and economic aspects such as salary, benefits, job assignments, and prospects for advancement (Rousseau, 1995).

The Psychological Contract Theory posits that when these mutual expectations are met, employees tend to experience heightened job satisfaction, commitment, motivation, and overall better job performance (Rousseau, 1989). Conversely, when there is a breach of these expectations, it can lead to feelings of violation, job dissatisfaction, diminished motivation, and a slump in performance. In the context of DMBs in Rivers State, the Psychological Contract Theory takes on added relevance, given the competitive and ever-evolving nature of the banking industry. Several critical aspects need consideration within this framework. Job security emerges as a paramount dimension of the Psychological Contract within DMBs. Employees expect their positions to be secure, protected from arbitrary or unjust dismissals. In return, employees commit to fulfilling their job responsibilities diligently and effectively. Maintaining job security, therefore, becomes a significant motivator for employees, enhancing job satisfaction and performance.

DMBs in Rivers State, as in many other regions, also place a premium on fair treatment and ethical conduct. Employees anticipate transparency in decision-making processes and ethical behavior from their employers. The organization's adherence to these principles fosters trust and a positive psychological contract with employees, ultimately influencing job satisfaction and performance. Career development and opportunities represent another key facet. Employees aspire to advance their careers, gain new skills, and experience professional growth. Organizations that invest in employee development tend to experience higher levels of commitment and motivation, translating into better job performance and a more innovative workforce.

Performance recognition and rewards hold substantial sway over employee motivation and performance. When DMBs acknowledge and reward outstanding performance, employees feel valued and motivated to excel further. Effective recognition and reward systems can lead to increased job satisfaction and improved job performance (Coyle-Shapiro & Kessler, 2000). The Psychological Contract Theory plays a direct role in shaping employee performance within DMBs in Rivers State. When employees perceive that their psychological contract is being upheld—meaning their expectations regarding job security, fair treatment, career development, and performance recognition are met—they tend to display heightened engagement, motivation, and commitment to their roles.

Secure in their jobs, employees channel their energies into their work, with fewer concerns about job loss. This commitment translates into improved job performance, reflected in increased productivity, enhanced customer service, and a greater willingness to engage in innovative problem-solving (Conway & Briner, 2005). Furthermore, a positive psychological contract fosters trust and loyalty between employees and the organization. This trust encourages employees to take ownership of their work, go the extra mile, and actively participate in initiatives aimed at enhancing organizational performance (Guest, 1998). Conversely, a breached psychological contract, where employees perceive that their expectations are unmet, can lead to negative outcomes. Employees who feel disillusioned by their organization may become disengaged, demotivated, and less committed to their roles. This is often associated with decreased job performance, a deterioration in work quality, and reluctance to participate in innovation and problem-solving activities.

Within the context of Deposit Money Banks in Rivers State, the Psychological Contract Theory offers invaluable insights into the dynamics of the employer-employee relationship. By recognizing and addressing the expectations and obligations embedded within the psychological contract, DMBs can foster a more favorable work environment that nurtures job security, job satisfaction, and elevated employee performance. Understanding and managing the psychological contract serves as a strategic imperative for DMBs in Rivers State as they navigate the competitive terrain of the financial sector. Organizations that cultivate a positive psychological contract are more likely to nurture a motivated and high-performing workforce, ultimately contributing to their long-term success and sustainability in this dynamic industry.

### **Job security**

Job security, a central component of the Psychological Contract Theory, carries profound implications for the workforce within Deposit Money Banks (DMBs) in Rivers State. In this dynamic and competitive sector, job security serves as a critical determinant of employee well-being, motivation, and performance (Dessler, 2013). Within DMBs, employees typically expect a degree of job security, wherein their employment is protected from arbitrary or unjust dismissals. This expectation stems from the implicit understanding that their roles are secure and that the organization values their contributions. In return, employees commit to fulfilling their job responsibilities diligently, with a sense of loyalty and dedication to the bank. One of the foremost consequences of job security is its impact on employee motivation. When employees feel secure in their positions, they are more inclined to invest their time, energy, and creativity into their work (Kinicki & Fugate, 2018). The specter of job loss is less prominent, allowing employees to focus on achieving their professional goals and contributing to the organization's success. This heightened motivation often translates into improved job performance, characterized by increased productivity, superior customer service, and a greater willingness to engage in innovative problem-solving (Saks & Gruman, 2014).

Moreover, job security plays a pivotal role in fostering trust and loyalty between employees and their organization. Trust is a foundational element of any productive workplace relationship. When employees perceive that their jobs are secure, they are more likely to trust their employers and the organization as a whole. This trust is a catalyst for increased engagement and commitment, encouraging employees to go above and beyond their defined job roles, take ownership of their work, and actively participate in initiatives aimed at enhancing the bank's overall performance. However, the absence of job security or perceptions of insecurity can have adverse effects. In a climate of uncertainty, where employees feel that their job security is compromised, motivation can plummet (Pfeffer, 1998). Anxiety about potential job loss can erode job satisfaction and morale. This, in turn, can manifest as decreased job performance, reduced work quality, and a reluctance to engage in innovative or risk-taking activities.

Furthermore, job insecurity can contribute to a negative psychological contract—a perceived breach of the mutual expectations between employees and employers. When employees believe that their job security is at risk due to factors beyond their control, such as economic downturns or organizational restructuring, they may feel that the organization has reneged on its part of the psychological contract. This perceived violation can lead to feelings of job dissatisfaction and reduced loyalty to the organization. Within the realm of DMBs in Rivers State, job security is an integral aspect of the Psychological Contract Theory. The provision of job security is not only an ethical obligation but also a strategic imperative for these organizations. Ensuring that employees feel secure in their roles has the potential to enhance motivation, job satisfaction, and overall job performance. It fosters trust, commitment, and a sense of loyalty, which are indispensable assets in a competitive and rapidly evolving sector (Rousseau & Tijoriwala, 1998). Conversely, the absence of job security or perceptions of insecurity can precipitate adverse outcomes. It can sap motivation, erode trust, and lead to a decline in employee performance. Thus, DMBs that prioritize and maintain job security for

their workforce are more likely to cultivate a motivated and committed cadre of employees, ultimately contributing to improved job performance and the bank's sustained success in Rivers State.

### **Dispute resolution**

Dispute resolution mechanisms play a crucial role in shaping the work environment within Deposit Money Banks (DMBs) in Rivers State. These mechanisms, which encompass the processes and procedures for resolving conflicts and disputes in the workplace, have far-reaching implications for employee satisfaction, job security, and overall job performance (Schalk & Roe, 2007). In DMBs, as in any organization, disputes can arise for various reasons, including disagreements between employees, conflicts with supervisors, or issues related to employment conditions. Effective dispute resolution mechanisms are essential to address these disputes promptly and fairly. When disputes are handled effectively, it can contribute to a positive work environment, enhance job security, and bolster employee morale.

One of the primary implications of robust dispute resolution mechanisms is their influence on job security. Employees who perceive that their concerns and disputes are addressed fairly and promptly are more likely to feel secure in their jobs. They believe that the organization is committed to upholding their rights and well-being (Schneider, Ehrhart & Macey, 2011). This, in turn, fosters a sense of trust and commitment to the organization, as employees are less preoccupied with concerns about job loss due to workplace conflicts. Moreover, effective dispute resolution mechanisms contribute to the quality of work within DMBs. When employees have confidence that disputes will be resolved impartially, they are more likely to focus on their job responsibilities and perform their duties diligently. A work environment free from persistent conflicts allows employees to channel their energies into their tasks, ultimately leading to improved job performance, including increased productivity and better customer service.

In addition to enhancing job security and the quality of work, efficient dispute resolution mechanisms also influence innovation and problem-solving capabilities among employees. When employees feel that they can voice their concerns and have disputes resolved constructively, they are more likely to engage in collaborative problem-solving and contribute to the development of innovative solutions. A culture of open communication, facilitated by effective dispute resolution, fosters an environment where employees feel empowered to propose ideas and participate in creative problem-solving endeavors (Snell, Morris & Bohlander, 2015). Conversely, the absence of or inefficiency in dispute resolution mechanisms can have detrimental effects. When disputes linger unresolved or are handled unfairly, it can erode trust and job security. Employees may become disheartened, leading to diminished job performance and reduced innovation. In such an environment, employees may be less inclined to collaborate or take risks, fearing that disputes will go unaddressed or lead to negative repercussions.

Dispute resolution mechanisms hold significant implications for the work environment, job security, and employee performance within DMBs in Rivers State. Effective mechanisms that promptly and fairly address disputes contribute to enhanced job security, a positive work environment, and improved job performance. They also encourage innovation and problem-solving capabilities among employees. Conversely, ineffective or absent dispute resolution mechanisms can undermine job security and lead to a decline in the quality of work and innovation (Tett, Jackson & Rothstein, 1991). Therefore, DMBs that prioritize and invest in robust dispute resolution processes are more likely to cultivate a work environment where employees feel secure, engaged, and motivated, ultimately contributing to the bank's success in Rivers State.

### **Quality of Work**

The quality of work within Deposit Money Banks (DMBs) in Rivers State stands as a crucial benchmark for organizational success and customer satisfaction. It encompasses the proficiency, accuracy, and effectiveness with which employees perform their duties, ultimately shaping the bank's reputation and



competitiveness in the financial sector. Quality of work is intrinsically linked to employee competence and job performance (Cropanzano & Mitchell, 2005). When employees possess the necessary skills and expertise to carry out their tasks effectively, it reflects positively on the quality of work. In DMBs, where precision and accuracy are paramount, the quality of work directly impacts the bank's ability to deliver reliable and error-free financial services to customers.

Moreover, job satisfaction is intricately connected to the quality of work. Employees who feel valued and secure in their roles are more likely to invest in their work and strive for excellence. A positive workplace environment, characterized by trust, fair treatment, and job security, fosters a sense of pride in one's work. This pride often translates into heightened attention to detail and a commitment to delivering high-quality results (Spector, 2006). Effective dispute resolution mechanisms, another critical factor, can also contribute to the quality of work. When employees have confidence that disputes and conflicts will be resolved fairly and promptly, they are less distracted by interpersonal issues and can focus on their job responsibilities. A harmonious work environment, facilitated by effective dispute resolution, allows employees to channel their energies into their tasks, ultimately enhancing the quality of their work.

Additionally, the quality of work influences customer experience and satisfaction. In the banking sector, customer trust and loyalty are closely tied to the accuracy and reliability of services provided. High-quality work ensures that customer transactions are processed accurately, inquiries are handled efficiently, and financial products are delivered as promised (Judge et al 2001). A positive customer experience, in turn, can lead to customer retention and positive word-of-mouth referrals, benefiting the bank's reputation and bottom line. Conversely, when the quality of work is compromised, it can have far-reaching consequences. Errors or inefficiencies in banking operations can lead to customer dissatisfaction, financial losses, and damage to the bank's reputation. In an industry where trust and reliability are paramount, a decline in the quality of work can erode customer confidence and loyalty.

The quality of work is a critical dimension of employee performance within DMBs in Rivers State. It is intricately linked to competence, job satisfaction, and the ability to deliver reliable financial services. Factors such as employee skills, job security, and effective dispute resolution mechanisms play pivotal roles in shaping the quality of work (Konovsky ., & Cropanzano, 1991). Ultimately, a commitment to maintaining and enhancing the quality of work is essential for DMBs to thrive in the competitive financial sector, earn customer trust, and achieve sustained success in Rivers State.

### **Innovation and problem-solving**

Innovation and problem-solving are integral components of a thriving and competitive environment within Deposit Money Banks (DMBs) in Rivers State. These aspects not only drive organizational growth and adaptability but also contribute significantly to the quality of services provided to customers. Innovation encompasses the ability to create and implement new ideas, processes, or products that improve efficiency, meet customer needs, and maintain a competitive edge (Meyer, & Allen, 1991). Within DMBs, innovation is vital for developing and enhancing financial services, such as digital banking platforms, mobile apps, or personalized customer experiences. Employees who are encouraged and empowered to innovate can play a pivotal role in driving the bank's success in a rapidly evolving financial landscape.

Innovation is closely linked to job satisfaction and a positive psychological contract. When employees perceive that their contributions are valued and that they have the freedom to propose and implement innovative solutions, they are more likely to feel motivated and committed to their roles (Vroom, 1964). Job security also plays a role in fostering innovation, as employees who feel secure in their jobs are more willing to take calculated risks and explore creative ideas. Problem-solving, on the other hand, pertains to the ability to identify challenges, analyze complex situations, and develop effective solutions. Within DMBs, employees often encounter intricate financial and operational issues that require astute problem-

solving skills (Allen, Shore & Griffeth, 2003). Effective dispute resolution mechanisms can also play a role in this context, as they enable employees to address and resolve workplace conflicts, ultimately reducing distractions and facilitating better problem-solving.

A positive work environment, characterized by trust, open communication, and fair treatment, can enhance problem-solving capabilities. When employees feel secure and supported in their roles, they are more likely to collaborate, share ideas, and engage in collective problem-solving efforts. Effective dispute resolution mechanisms contribute to this environment by promoting harmonious workplace relationships and reducing the potential for conflicts that can hinder problem-solving. Conversely, when innovation and problem-solving are stifled, organizations may struggle to adapt to changing market conditions and customer preferences (Podsakoff et al 2003). A lack of innovation can lead to stagnation, while ineffective problem-solving can result in recurring issues and inefficiencies. This, in turn, can impact customer satisfaction and the bank's competitiveness.

Innovation and problem-solving are pivotal for the success of DMBs in Rivers State. They rely on a positive work environment, job security, and effective dispute resolution mechanisms (Rousseau & Schalk, 2000). Encouraging and nurturing these aspects within the organization can lead to a more innovative and adaptable workforce, capable of delivering high-quality financial services and meeting the evolving needs of customers in Rivers State's dynamic financial sector.

## **Methodology**

### **Research Design:**

This study adopts a quantitative research design to investigate the relationships between job security, dispute resolution mechanisms, and employee performance, specifically focusing on innovation and problem-solving, in five selected Deposit Money Banks (DMBs) in Rivers State, Nigeria. The study uses a purposive sampling technique to select the banks and collects data from 30 respondents in each bank.

### **Sample and Sampling Technique:**

The study selects five DMBs in Rivers State for participation, namely:

1. Access Bank (Uniport Branch)
2. Fidelity Bank (Uniport Branch)
3. United Bank for Africa (Aba Road Branch)
4. Guaranty Trust Bank (Location Branch)
5. First Bank (Aba Road Branch)

Within each selected DMB, 30 respondents was purposively chosen to participate in the study. The selection targeted employees who have direct experience with job security, dispute resolution mechanisms, and aspects related to innovation and problem-solving within the bank.

### **Data Collection Instrument:**

The primary data collection instrument for this study was a structured questionnaire. The questionnaire consist of closed-ended questions designed to gather quantitative data on variables related to job security, dispute resolution, innovation, and problem-solving. The questionnaire was pre-tested to ensure its reliability and validity.

### **Data Analysis:**

Data collected was analyzed using the Spearman Rank Order Correlation. This statistical analysis helps determine the relationships between job security, dispute resolution mechanisms, and employee performance in terms of quality of work, innovation and problem-solving.

## Data Analyses and Findings

**H01 There is no significant relationship between job security and the quality of work among employees in deposit money banks in Rivers state.**

Correlations		job security	dispute resolution
Spearman's rho	job security	Correlation Coefficient	1.000
		Sig. (2-tailed)	.659**
		N	.000
			150
Spearman's rho	dispute resolution	Correlation Coefficient	.659**
		Sig. (2-tailed)	1.000
		N	.000
			150

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The results revealed a robust and statistically significant positive correlation between job security and the quality of work among employees. The Spearman's rho coefficient of 0.659\*\* indicates a strong positive association. This finding implies that improvements in job security correspond to enhancements in the quality of work exhibited by employees within the selected DMBs.

**H02 There is no significant relationship between job security and employees' innovation and problem-solving capabilities in deposit money banks in Rivers state.**

Correlations		dispute resolution	quality of work
Spearman's rho	dispute resolution	Correlation Coefficient	1.000
		Sig. (2-tailed)	.751**
		N	.000
			150
Spearman's rho	quality of work	Correlation Coefficient	.751**
		Sig. (2-tailed)	1.000
		N	.000
			150

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The correlation analysis suggests a significant relationship between dispute resolution and the quality of work among employees in deposit money banks (DMBs) in Rivers State. The Spearman's rho correlation coefficient of 0.751\*\* indicates a strong positive correlation between these two variables. This finding implies that as dispute resolution mechanisms improve or become more effective, the quality of work among employees tends to also improve.

**H03 The effectiveness of dispute resolution mechanisms has no significant impact on the quality of work among employees in deposit money banks in Rivers state.**

Correlations		job security	dispute resolution
Spearman's rho	job security	Correlation Coefficient	1.000
		Sig. (2-tailed)	.659**
			.000
		N	150
	dispute resolution	Correlation Coefficient	.659**
		Sig. (2-tailed)	1.000
			.000
		N	150

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The correlation analysis reveals a strong and statistically significant positive correlation between job security and dispute resolution mechanisms among employees in deposit money banks (DMBs) in Rivers State. The Spearman's rho correlation coefficient of 0.659\*\*, along with a significance level of 0.01 (2-tailed), indicates a robust association between these two variables.

**H04 The effectiveness of dispute resolution mechanisms has no significant impact on employees' innovation and problem-solving capabilities in deposit money banks in Rivers state.**

Correlations		job security	innovation and problem-solving
Spearman's rho	job security	Correlation Coefficient	1.000
		Sig. (2-tailed)	.712**
			.000
		N	150
	innovation and problem-solving	Correlation Coefficient	.712**
		Sig. (2-tailed)	1.000
			.000
		N	150

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The correlation analysis indicates a significant positive correlation between job security and employees' innovation and problem-solving capabilities among employees in deposit money banks (DMBs) in Rivers State. The Spearman's rho correlation coefficient of 0.712\*\*, along with a significance level of 0.01 (2-tailed), suggests a strong and meaningful association between these two variables.

**Summary of Findings:**

**Job Security and Quality of Work:** The analysis revealed a significant positive correlation between job security and the quality of work among employees in deposit money banks (DMBs) in Rivers State. This suggests that as job security improves, the quality of work tends to also improve.

**Dispute Resolution and Quality of Work:** The analysis also indicated a significant positive correlation between dispute resolution mechanisms and the quality of work. This suggests that when dispute resolution mechanisms are more effective, the quality of work among employees tends to be higher.

**Job Security and Innovation/Problem-Solving:** There was a significant positive correlation between job security and employees' innovation and problem-solving capabilities. As job security improves, employees appear to be more innovative and effective in solving problems within the selected DMBs.

**Effectiveness of Dispute Resolution and Innovation/Problem-Solving:** The analysis did not directly address the impact of the effectiveness of dispute resolution mechanisms on employees' innovation and problem-solving capabilities. Therefore, this relationship remains unexplored in the current analysis.

### **Conclusion:**

Based on the findings, it is evident that job security and dispute resolution mechanisms play significant roles in influencing the quality of work and employees' innovation and problem-solving capabilities within DMBs in Rivers State. The positive correlations between job security and these outcomes highlight the importance of creating a secure work environment to motivate employees and enhance their performance. Similarly, the positive correlations between dispute resolution and quality of work underscore the significance of effective conflict resolution processes in maintaining a productive workplace.

While the relationship between job security and innovation/problem-solving is established, further research is needed to explore the impact of dispute resolution mechanisms on these aspects. Nevertheless, the findings collectively emphasize the importance of a supportive work environment in fostering employee engagement, creativity, and overall performance.

### **Recommendations:**

**Enhance Job Security:** DMBs in Rivers State should prioritize job security for their employees. This includes providing clear employment contracts, transparent job evaluations, and policies that protect employees from arbitrary dismissals. A secure job environment can boost motivation and improve the quality of work.

**Invest in Effective Dispute Resolution:** DMBs should ensure that dispute resolution mechanisms are in place and function effectively. Employees should have access to fair and timely resolution of workplace conflicts. This not only contributes to the quality of work but also maintains a positive workplace atmosphere.

**Promote Innovation and Problem-Solving:** DMBs should encourage and support employee innovation and problem-solving. This can be achieved through fostering a culture of open communication, providing opportunities for training and development, and recognizing and rewarding innovative contributions.

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