

Structural determinants of human resource outcomes in the Nigerian banking industry

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Abstract

This study explores the human resource outcome factors as antecedents to the effectiveness of commercial banks in Nigeria. Drawing insights from previous studies on HR outcomes, employee skills, attitudes and behavioural patterns were identified as factors influencing HR outcomes.

A non-experimental research design was adopted utilising the principle of correlational/observational approach to determine which factors play the most prominent role in HR outcomes in the banking industry. Three hundred and eighty questionnaires were distributed to different categories of employees among the selected commercial banks in Lagos, Nigeria. A convenience sampling technique was used.

The collected data were analysed using IBM Statistical Package for the Social Sciences (SPSS) version 22 and the IBM SPSS Analysis of Moment Structure (AMOS) version 22. The findings showed that employee attitudes to work (satisfaction with job fulfilment, empowerment and work facilitation) made the largest contributions to HR outcomes in the Nigerian banking industry.

Key phrases

co-workers' directed behaviour; employee skills; job fulfilment; structural determinants; supervisor-directed behaviour

1. INTRODUCTION

Human input is crucial in any production process, be it a capital or labour-intensive production process; in manufacturing or in service-rendering organisations. The research on which this article is based explored human resource (HR) outcome factors in the banking sector. Commercial banks tend to give higher priority to financial and structural capital over human capital in the banking sector (Goh 2005:394; Kehinde, Jegede & Akinlabi 2012:313).

Despite the importance of financial and structural capital in the banking sector, no bank can achieve its goals and objectives without adequate HR outcomes. This explains why workers experience much stress in achieving organisational goals and objectives (Oke & Dawson 2008:11; Samuel, Osinowo & Chipunza 2009:629).

Oke and Dawson (2008:11) found that workers had excessive workloads and long hours of work and that taking a lunch break became an issue at times. HR outcome factors are referred to as employee skills, workers' attitudes to work and employees' work behavioural patterns (Auernhammer & Hall 2014:160; Katou & Budhwar 2010:27; Thang, Quang & Buyens 2010:32; Zhu, Cooper, Thomson, De Cieri & Zhao 2013:2986). HR outcomes can be seen as major determinants of operational efficiency, commercial banks' effectiveness, customer satisfaction and sustainable competitive advantage (Kehinde *et al.* 2012:313; Liao, Chang, Hu & Yuch 2012:52; Thang *et al.* 2010:31). There is a paucity of research on determinants of HR outcomes in the Nigerian banking sector. In the study insight was drawn from previous studies to explore what constitutes HR outcomes among the selected commercial banks in Nigeria.

2. LITERATURE REVIEW AND RESEARCH FRAMEWORK

This section provides an academic discourse on variables pertinent to structural determinants of HR outcomes in the Nigerian banking industry. This is necessary to effectively determine HR outcome factors in Nigerian banking industry using structural equation modelling (a second generation statistical analysis). To achieve the major objective of this study, insights from an appropriate conceptual/theoretical framework as well as a suitable measurement instrument is essential.

2.1 Human resource outcomes

Guest (1997:270) refers to HR outcomes as antecedents to improved organisational outcomes. Katou and Budhwar (2010:26), on the other hand, define HR outcomes as a combination of employee skills, attitudes and work behaviour. Other studies have suggested that employee skills, attitudes and behaviour could be used as a set of mediating variables influencing the economic outcomes of any organisation (Lepak, Liao, Chung & Harden 2006:249; Wright, Gardner, Moynihan & Allen 2005:438).

Ojo (2009:388) examined the influence of core values on employee outcomes in the Nigerian banking sector. The study revealed that the corporate value system has a positive impact on employees' work outcomes. The shortcoming of the study is its inability to explore

HR outcome factors in the Nigerian banking industry. In the same vein, Atiku, Chitakunye and Fields (2014:10) examined the joint influence of core values and HR outcomes on the effectiveness of commercial banks in Nigeria. The findings revealed that core values and HR outcomes have a positive, strong and significant influence on commercial banks effectiveness in Nigeria. Regrettably, the HR outcome factors were not structurally determined using structural equation modelling.

Osinbanjo, Kehinde and Abiodun (2014:18) examined the influence of HR outcome factors on job satisfaction in the Nigerian banking sector, but the HR outcome factors influencing satisfaction were not listed or empirically identified in the study. This shows that the study on HR outcome factors in the Nigerian banking industry remains inconclusive. To fill this gap, the research reported in this article explored structural determinants of HR outcome factors in the Nigerian banking industry, using Structural Equation Modelling (SEM). SEM is a multivariate statistical procedure (Sekaran and Bougie 2009:369) to observe the loading of each factor influencing HR outcomes in a structural model and the model fit indices.

2.2 Employee skills

Katou and Budhwar (2010:26) refer to employee skills as a combination of competence, experience, emotional intelligence, cooperation with management and cooperation among employees. Ramasubbu, Mithas and Krishnan (2008:520) contend that technical, behavioural and interpersonal skills have a positive influence on customer loyalty, satisfaction and retention, as well as on organisational performance. They suggest that behavioural and interpersonal skills or ability are required of employees to build interpersonal relationships between employees and the users of services or clients. They add that sound behavioural and interpersonal skills will boost the quality of services or products and help to gain customer commitment, motivation and retention. Hence, employees are encouraged to acquire a high level of interpersonal skills, especially in service organisations, in order to get feedback from customers (Ramasubbu *et al.* 2008:520).

Salomonson, Aberg and Allwood (2012:146) see sound communication skills as one of the determinants of customer commitment, satisfaction and retention in many service organisations. They suggest that the relationship between employees and clients is enhanced by communication skills which demand three qualities from customer relation officers.

- The first is the willingness and ability to listen attentively to customers' complaints and to provide adequate information or solutions to the problem by applying their problem-solving skills.
- The second quality is perceptiveness skills that are required of employees to understand the plight of the customer and to respond positively to their demands.
- The third quality is responsiveness skills which are necessary to ensure timely responses to customers' needs and agreements with them. Hoyt and Matuszek (2001:167) argue that for business organisations to cope with the challenges posed by the global economy there is a need to employ or develop a multi-skilled workforce.

They add that the relationship between a multi-skilled workforce and organisational financial performance should be closely monitored, considering the costs associated with hiring and developing such a workforce and the benefits in the form of financial returns. They maintain that the costs associated with hiring and developing a multi-skilled workforce sometimes outweighs the benefits.

Korczynski (2005) in Varlander and Julien (2010:1247) identified two structures of skills in the service industry, relating to job complexity and task discretion. According to the author, job complexity are categorised based on the difficulty (hard skills) and/or simplicity (soft skills) attached to service delivery, which are often reflected on employees' day to day responsibilities in the service industry.

Task discretion, on the other hand, relates to the level of autonomy given to employees in the decision making process in a service organisation (Varlander and Julien 2010:1247). Task discretion requires high level skills from employees in any service organisation. It is clear, therefore, that an employee skill is a primary HR outcome factor that is capable of influencing other HR outcome factors in an organisation. Other HR outcome factors investigated in this article are presented below.

2.3 Employee attitudes

Fisher, McPhail and Menghetti (2010:399) refer to employee attitudes as one of the determinants of the extent to which workers are willing to display their skills, knowledge and dynamic capabilities for the purpose of achieving organisational goal and objectives. Katou and Budhwar (2010:31) measured employees' attitudes in relation to job satisfaction, employee/organisational commitment and worker motivation. Paul and Anantharaman (2003:1246) observe that for an organisation to achieve its goals and objectives, sustainable

competitive advantage, productivity, profitability and return on investment among others, workers need to be inspired, dedicated and satisfied with the activities of the organisation.

Gregory, Harris, Armenakis and Shook (2009:675) trace a theoretical linkage between organisational culture and employees' attitude to work, founded on the belief that team standards like commitment, joint consultation in decision making and authorisation will enhance employees' attitudes to work. Ostroff (1992) cited in Gregory et al. (2009:675) provided empirical evidence on the relationship between employees' attitudes to work and organisational performance. He held that employee attitudes, job satisfaction and organisational commitment or loyalty are positively related to organisational performance.

In a later study, Rashid, Sambasivan and Johari (2003:714) identified three levels of attitudes to change in their study on the influence of organisational culture on attitudes to change. These are cognitive, affective and behavioural. The cognitive attitude has to do with having relevant information about the proposed change, affective attitude relates to workers emotional attachment to the intended change, while the behavioural attitude involves employees' response to the change (Rashid *et al.* 2003:714).

Wang and Wong (2011:845) identified the major factors that could affect employees' attitudes. These factors include managerial backing, colleagues' influence and a worker's personal qualities. They suggest that management play an active role by persuading and encouraging optimistic attitudes among workers (like job satisfaction, motivation, employee commitment and a decent work environment). Finally, they submitted that employees' attitudes serve as an intervening variable that mediates the relationship between managerial behaviours and organisational outcomes. Atiku (2014:251) found that employees' attitudes were a mediating variable on the interplay between employee skills and work behaviours in the Nigerian banking sector.

2.4 Employee behavioural patterns

Morin, Vandenberghe, Boudrias, Madore, Morizot and Tremblay (2011:717) refers to employee behaviour as a set of discretionary behavioural patterns displayed by employees in discharging their duties to the organisation with outstanding skills, knowledge, dynamic capabilities and emotional intelligence in order to guarantee competitive advantage. Katz and Kahn (1966, cited in Fisher, McPhail and Menghetti (2010:399) claim that employees' behavioural patterns are spontaneous and that inventive behavioural patterns are required in all functional areas of the organisation to realise organisational goals and objectives.

Podsakoff, MacKenzie, Paine and Bachrach (2000:543) measured employees' behavioural patterns using constructs such as employees' loyalty to the organisation, their compliance, commitment, personal initiative and development, as well as job satisfaction. Fisher et al. (2010:397) note that employee loyalty and job fulfilment are significantly related to an organisation's economic performance. They argue that employees' behavioural patterns have implications for the quality of goods and services, productivity, profitability and customer satisfaction and retention, as well as market share.

Service-oriented behaviour stimulates an outstanding distribution process, delivers improved quality service, creates an interactive employee-client relationship and promotes innovative thinking to ensure total customer satisfaction (Podsakoff, Whiting, Podsakoff & Blume 2009:125). With regard to banks, as typical service organisations, Ojo (2012:46) assessed the impact of corporate culture on workers' behaviour as an antecedent of bank effectiveness in Nigeria.

The empirical study concluded that value systems and beliefs in service-oriented organisations influence workers' behaviour and in turn contribute to the effectiveness of banks through customer satisfaction. However, the study failed to provide clarity on the cultural dimensions used to measure corporate culture. Its inability to engage in complex statistical analysis to explain the strength of the relationship beyond reasonable doubt and ensure data and methodological triangulation calls for further investigation (Hartnell, Ou & Kinicki 2011:667; Podsakoff *et al.* 2009:133).

Bettencourt, Gwinner and Meuter (2001:29) claim that customer relations officers, particularly in service-oriented organisations, must be able to display behavioural patterns that are capable of ensuring customer satisfaction and loyalty, as this will go a long way in ensuring optimal organisational performance and competitive advantage. Service-oriented employee behavioural patterns include three types of behaviour (Bettencourt et al. 2001:30): loyalty, service delivery and participation. Loyalty tends to create a good image of the organisation's products or services, thereby promoting customer satisfaction.

Service delivery is defined as conscientiousness, responsiveness, flexibility and attentiveness to client service (Bettencourt & Brown 2003:398; Bettencourt, Brown & MacKenzie 2005:142). Participation refers to client relations officers' ability to interact with management, as well as their associates, to actively improve the quality of their products or services (Lam & Mayer 2014:640). Participation is necessary, due to the fact a service organisation's survival depends on total customer satisfaction and retention (Tang & Tang

2012:888). To overcome the challenges related to customer satisfaction, service organisations must ensure that their workforce has the right attitudes, behaviours and attributes required to provide outstanding service to clients. Taking insights from the foregoing, this study hypothesised that:

Employee skills, attitudes and behavioural patterns significantly influenced HR outcomes in the Nigerian banking industry.

2.5 Human resource management policy

Guest (1997:270) established a model which shows how HR management policies could influence employee outcomes and organisational performance. He suggests employee loyalty as a strong outcome that will positively influence organisational outcomes. Hence, HR development policy plays a significant role in managing human resources and shapes workers' attitudes to work and expected work behaviour, which will ultimately have an impact on organisational outcomes (Thang, Quang & Buyens 2010:31). Through their study, it could be concluded that HR development policy will increase competence and influence workers' attitudes and behavioural patterns, leading to organisational outcomes.

Taking insights from this theoretical background, this study measured HR outcome factors in the Nigerian banking industry, using employee skills, attitudes and behaviour (Katou & Budhwar 2007:20; Purcell & Hutchinson 2007:11). Sanz-Valee *et al.* (1999, cited in Katou & Budhwar 2010:27) put it that organisations with an innovative strategy invest more in employee training and development to enhance workers' competence, skills and abilities and at same time inspire innovativeness and cooperation among workers.

Based on a review of 104 empirical studies on the association between HR management and organisational outcomes, (Boselie, Dietz & Boon 2005:79) identified three theoretical perspectives, namely contingency, resource-based perspectives and abilities, motivation and opportunities (AMO).

Boselie *et al.* (2005:79) put it that situational and resource-based perspectives are domiciled at institutional level while AMO is situated at the level of individual employees. This suggests that HR outcome is a function of abilities, motivation and opportunities. While abilities involved workers' competence and dynamic capabilities, motivation is the drive to undertake learning and development to develop these abilities. Opportunities have to do with workers' ability to transfer learning into work outcomes in the form of improved attitudes to work, as well as work behaviour. Situational and resource-based perspectives domiciled at

institutional level are the HR practices adopted by the organisation, while AMO at individual level relates to an employee's commitment, job satisfaction and improved work behaviour (Paauwe 2009:833). These two levels are critical determinants of organisational outcomes, which explained the reason for adopting HR outcome factors as antecedents to effectiveness in the Nigerian banking industry. A conceptual framework on HR outcomes in the Nigerian banking industry is presented in Figure 1.

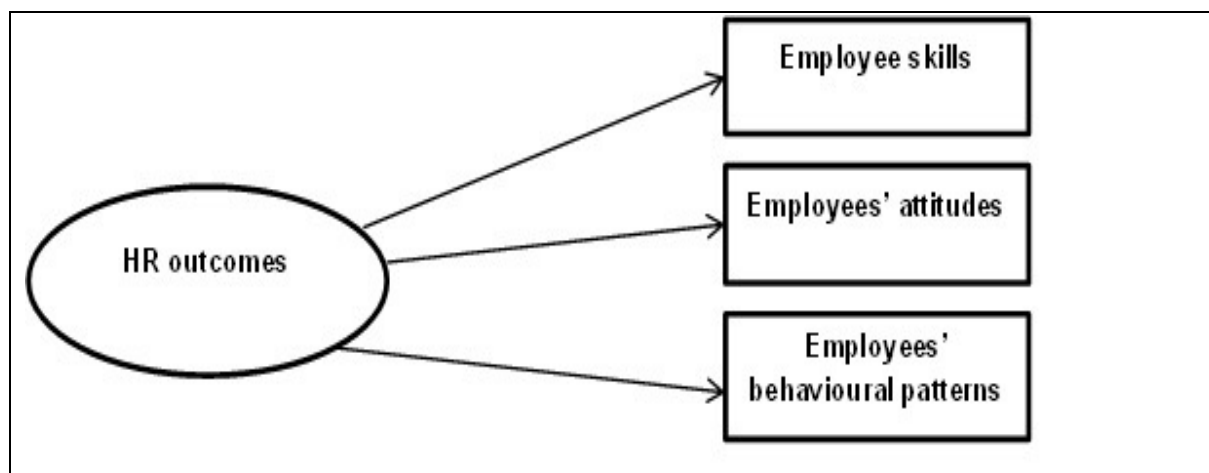


FIGURE 1: Conceptual framework on HR outcomes in the Nigerian banking industry

Source: Adapted from Boselie *et al.* 2005:2; Guest 1997:270; Katou and Budhwar 2010:27

As explicitly illustrated in Figure 1, HR outcomes could be referred to as the major latent variable investigated in this study, while employee skills, employee attitudes to work and employee behaviours are regarded as the manifest variables in the current study. This model specification was based on a rigorous literature review and a sound theoretical framework. The research methodology adopted to determine HR outcome factors in the Nigerian banking industry is presented in the next section.

3. METHODOLOGY

In the research reported in this article a quantitative approach was adopted to determine HR outcome factors by observing the mutual influences of employee skills, attitudes and work behaviours in the Nigerian banking sector. A correlational approach was incorporated in an advanced explanatory research design with *ex post facto* type of research. An advanced explanatory design suggested the use of a multivariate statistical analysis tool (SEM) in order to conduct a structural examination of HR outcome factors in the banking industry. A self-administered questionnaire was used to collect data.

3.1 Sample and procedure

The authors adopted the principles of convenience and simple random sampling techniques in administering 380 questionnaires among the participating commercial banks operating in Lagos, Nigeria. A total of 306 questionnaires were returned after extensive follow up. A copy of the returned questionnaires was void and the remaining 305 questionnaires were included in the analysis, thus representing a response rate of 80.3%.

3.2 Measures

3.2.1 Human resource management outcomes

HR management outcomes were assessed using the scale developed by Katou and Budhwar (2010:30). The scale has three dimensional scales, designed on a 5-point Likert-type scale ranging from 1 (very bad) to 5 (very good).

The first dimension measures employee skills with a Cronbach's alpha coefficient of 0.913 and the variance described was 90.47%; the second dimension measures employee attitudes with a Cronbach's alpha coefficient of 0.910 and the variance described was 89.74%; and the third dimension measures employee behaviour while the Cronbach's alpha coefficient showed 0.849.

The variance described was 89.74%. The Cronbach's alpha coefficients for the three dimensions were all above 0.70 and their corresponding construct validity assessed by examining the total variance of each dimension via confirmatory factor analysis indicated percentages which were more than the prescribed 50% (Katou & Budhwar 2010:30).

This instrument was useful and valid in measuring HR outcomes in the Nigerian banking industry on the basis of its successful use in similar studies conducted in the Greek manufacturing sector (Katou 2009:343; Katou & Budhwar 2006:1241; 2007:25; Katou & Budhwar 2010:30).

In the current study the three dimensional measurement scales for measuring HR outcomes developed by Katou and Budhwar (2010:30) were adapted. Rating was done on a 5-point Likert-type scale ranging from 1 (very bad) to 5 (very good). Respondents were required to rate the firm's outcomes with respect to human resources over the past three years. The Cronbach's alpha coefficient recorded in this study for the scale was 0.921. According to the rule of thumb, the alpha coefficients ranged from acceptable to good and to an excellent point of 0.921 (Pallant 2011:100).

3.2.2 Employee attitude survey (EAS)

To measure employee attitudes the *Employee attitude survey (EAS)* developed by Schneider, Hanges, Smith and Salvaggio (2003:839) was used. The scale is made up of 24 items and seven dimensional scales, designed on a 5-point Likert-type scale.

- The first dimension measures *satisfaction with empowerment* and is made up of seven items with a Cronbach's coefficient alpha of 0.93.
- The second dimension, which measures the level of workers' *satisfaction with job fulfilment*, has three items and a Cronbach's coefficient alpha of 0.86.
- The third dimension measures workers' *satisfaction with pay* and contains two items; the Cronbach's coefficient alpha yielded 0.89.
- The fourth dimension on the scale measures *satisfaction with work group* made up of two items and yielded a Cronbach's coefficient alpha of 0.72.
- The fifth dimension, which measures *satisfaction with security*, also has two items with a Cronbach's coefficient alpha of 0.53.
- The sixth dimension has to do with *satisfaction with facilitation* made up of five items and a Cronbach's coefficient alpha of 0.79.
- The seventh dimension measures *overall job satisfaction*, contains three items and yielded a Cronbach's coefficient alpha of 0.82.

The strength of EAS was based on its usage by 35 organisations for more than eight years to establish the correlations between employee attitudes and corporate economic outcomes. The scale indicated a high level of associations and the internal consistency revealed outstanding stability (Schneider et al. 2003:840). Based on the strength and internal consistency of EAS, the instrument was found to be suitable to measure employee attitudes as an antecedent of business financial performance in the Nigerian banking sector.

The following dimensions to measure employee attitudes were used: (1) *satisfaction with work fulfilment*, which was adapted on a 4-point Likert-type rating scale ranging from 1 (strongly disagree) to 4 (strongly agree); (2) *satisfaction with empowerment*; and (3) *satisfaction with work facilitation*. The rationale for utilising a 4-point Likert-type rating scale was to prevent respondents from sitting on the fence (Atiku 2014:172; Sekaran & Bougie 2009:326) particularly on the focus of this study, which are HR outcomes in the banking industry.

The last two dimensions had a rating scale ranging from 1 (very dissatisfied) to 5 (very satisfied). The Cronbach's alpha coefficient for the 11 items of EAS adapted in this study was 0.900. The internal consistency of the instrument was good based on the rule of thumb (Pallant 2011:100).

3.2.3 Organisational citizenship behaviours (OCBs)

Employee behaviours were measured using the Organisational Citizenship Behaviours (OCBs) scale developed by (Boudrias, Gaudreau, Savoie & Morin 2009:630; Boudrias & Savoie 2006:127; Morin, Vandenberghe, Boudrias, Madore, Morizot & Tremblay 2011:721). The scale contained 18 items and four dimensional scales, designed on a 5-point Likert-type rating scales, ranging from 1 (never) to 5 (very often).

- The first dimension measured *organisation-directed employee behaviours* and was made up of five items and had a Cronbach's coefficient alpha of 0.92.
- The second dimension measures *co-workers' directed behaviours* with six items and had a Cronbach's coefficient alpha of 0.89.
- The third dimension measures *customer-directed employee behavioural patterns* and contained three items and had a Cronbach's coefficient alpha of 0.79.
- The fourth dimension on the scale, which measured *supervisor-directed behavioural patterns*, was made up of four items and had a Cronbach's coefficient alpha of 0.83.

The strength of OCBs was based on its internal consistency and usage across disciplines or professions measuring employee behavioural patterns (Kazemipour, Mohamad Amin & Pourseidi 2012:304; Podsakoff et al. 2009:122; Podsakoff, MacKenzie, Paine & Bachrach 2000:265). Based on an extensive conceptual and empirical review of the literature on OCBs provided by Podsakoff et al. (2000:265) and a consolidated meta-analysis (Podsakoff et al. 2009:122), the OCBs scale adapted from Morin et al. (2011:721) was considered to be the most suitable in this study to measure employee behaviours in the service industry.

The OCBs scale was adapted by the researcher as a valid instrument to measure employee behaviours in the link between organisational culture and performance in the Nigerian banking sector. For instance, an organisation-directed employee behavioural pattern was adapted to assess worker behaviours in line with the institutional control mechanism as well as their contribution to ensure compliance in achieving business objectives.

Co-workers' directed behaviour was a valid measuring scale based on the need to evaluate the level of cooperation and knowledge-sharing capability among employees in order to ensure customer satisfaction (Morin et al. 2011:722).

Customer-directed behaviour as a dimension of OCBs is a valid instrument to measure employee efforts to improve the products or services offered to customers (Castro, Armario & Ruiz 2004:37). This is a common strategy in the service industry in order to achieve total customer satisfaction and retention.

Supervisor-directed behavioural pattern was valid in measuring the level of consolidated effort by management in order to ensure compliance (Boudrias et al. 2009:630). Podsakoff et al. (2009:126) and Kazemipour et al. (2012:304) found that the dimensions of OCBs are inter-correlated to organisational performance.

Hence, this study adapted the OCB four dimensional measures of organisational citizenship behavioural patterns on an 18 items and four dimensional scales, designed on a 5-point Likert-type rating scale, ranging from 1 (never) to 5 (very often). The Cronbach's alpha coefficient for the 18 items of OCBs in this study was 0.878. The internal consistency of the instrument was good based on the rule of thumb (Pallant 2011:100).

3.3 Data analysis

The IBM SPSS Statistics version 22 was used to perform an Exploratory Factor Analysis (EFA) of the research instrument adapted in this article, which was presented in Table 1. Table 2 presents results of factors correlation and scale reliability with their descriptive statistics. SEM analysis was performed using IBM SPSS AMOS (Analysis of Moment Structure) version 22 software. This software package was instrumental in running Confirmatory Factor Analysis (CFA); the model fit indices are presented in Table 3.

The software was used in running the structural model illustrated in Figure 2.

To assess the overall fitness of the data to the proposed model, the chi-square value, degree of freedom and the corresponding P value were used. In cases of large chi-square values and degree of freedoms, the normed-chi-square test was used, which is the chi-square value divide by the degree of freedom.

The standard rule is that the normed-chi-square value (CMIN/DF) must not be greater than 5. Three incremental fit indices, the Tucker-Lewis Index (TLI), the Incremental Fit Index (IFI) and the Comparative Fit Index (CFI) (Hu & Bentler 1999:1) were used to determine the

overall fitness of the data to the proposed model. The incremental fit index ranges from 0 to 1.0; an incremental value of greater than or equal to 0.9 is an acceptable indicator of good fit. A value of greater than or equal to 0.95 is regarded as an indicator of perfect fit (Hu & Bentler 1999:1).

The values of Goodness of Fit Index (GFI) developed by Jöreskog and Sorbom as an alternative criterion for measuring the degree of variance that emanates from the estimated population covariance (Hooper, Coughlan & Mullen 2008:54) was reported in this paper. The value for GFI ranged between 0 and 1, in which an acceptable indicator of good fit starts from 0.8 to a cut-off point of 0.95 (Hooper, Coughlan & Mullen 2008:54).

The last model fit index reported in this study is the Root Mean Square Error of Approximation (RMSEA). This is another prominent criterion for assessing the fitness of a model. It shows how well a model is fitted to the population covariance/correlation matrix. The value ranges from 0.05 to 0.1 in which values less than 0.08 suggest a fit approximation (Katou & Budhwar 2010:30).

4. RESULTS

This section presents the results of descriptive and inferential statistical tools engaged in determining the HR outcome factors in the Nigerian banking industry. The descriptive statistical analyses presented in this section are mean and standard deviation. The inferential statistical analyses presented in this section are bivariate correlations, statistical reliability of the scales adapted in this article, exploratory and confirmatory factor analyses, as well as structural equation modelling. A combination of descriptive and exploratory factor analysis of HR outcomes in the Nigerian banking industry is presented in Table 1a to Table 1e.

The internal consistency of factor 1 (measuring employee skills in the Nigerian banking industry) and the 11 items that emerged from the EFA were analysed using Cronbach's alpha coefficient via IBM SPSS version 22. The Cronbach's alpha coefficient for the scale measuring employee skills was 0.919. These items were arranged according to the strengths of their respective item factor loadings as indicated in the third column of Table 1a. Table 1b presents the mean, standard deviation and factor loadings of items measuring factor 2 (satisfaction with job fulfilment) in the Nigerian banking industry.

TABLE 1a: Exploratory factor analysis of the measurement of human resource outcomes: Factor 1 (Employee skills)

Item	Mean	SD	Factor loading	Item total correlation
5. Motivation among employees in general	3.72	.905	.756	.765
2. Ability to retain essential employees	3.70	.939	.750	.754
12. Customer complaints	3.67	.854	.730	.610
7. Spending per employee	3.67	.790	.713	.759
3. Cooperation between management and other employees	3.80	.814	.708	.753
10. Job satisfaction	3.47	.819	.701	.648
1. Ability to attract best employees	3.84	.813	.701	.689
6. Quality consciousness among employees in general	3.89	.748	.674	.677
4. Cooperation among employees in general	3.91	.724	.629	.642
8. Absence rate	3.85	.710	.619	.668
9. Turnover rate	3.68	.792	.543	.529

Source: Emerged from the statistical analysis

TABLE 1b: Exploratory factor analysis of the measurement of human resource outcomes: Factor 2 (Satisfaction with job fulfilment)

Item	Mean	SD	Factor loading	Item total correlation
5. My work gives me a feeling of personal accomplishment.	3.09	.773	.842	.771
4. I like the kind of job I do.	3.09	.798	.825	.815
6. My job makes good use of my skills and abilities.	3.11	.860	.764	.690
2. I am given a real opportunity to improve my skills in this company.	3.13	.726	.670	.694
3. I feel encouraged to come up with new and better ways of doing things.	3.09	.713	.638	.672
1. Sufficient effort is made to get the opinions of people who work here.	2.98	.697	.539	.623

Source: Emerged from the statistical analysis

Satisfaction with job fulfilment emerged as the second factor influencing HR outcomes in the Nigerian banking industry. On the average, all items factor loadings was greater than 0.700 judging from the factor loadings presented in the third column of Table 1b. The Cronbach's alpha coefficient for the 6 items measuring satisfaction with job fulfilment was 0.891. Table 1c presents the mean, standard deviation and factor loadings of items measuring factor 3 (satisfaction with empowerment and work facilitation) in the Nigerian banking industry.

TABLE 1c: Exploratory factor analysis of the measurement of human resource outcomes: Factor 3 (Satisfaction with empowerment and work facilitation)

Item	Mean	SD	Factor loading	Item total correlation
7. How satisfied are you with your involvement in the decisions that affect your work?	3.47	.858	.618	.545
10. How satisfied are you with the training you received for your present job?	3.82	.811	.615	.467
8. How satisfied are you with the opportunity to get a better job at this company?	3.72	.862	.503	.587
10. Introduces new ways of doing things in his/her work group.	3.73	.831	.789	.687

Source: Emerged from the statistical analysis

Satisfaction with empowerment and work facilitation emerged from the EFA as the third factor influencing HR outcomes in the Nigerian banking industry. The Cronbach's alpha coefficient for the 4 items measuring satisfaction with empowerment and work facilitation was 0.715. Judging from the factor loadings and Cronbach's alpha coefficient, one can conclude that the 4 items were acceptable measurement of satisfaction with empowerment and work facilitation. The mean, standard deviation and factor loadings of items measuring factor 4 (co-workers' directed behaviour) in the Nigerian banking industry are presented in Table 1d.

The fourth factor presented in Table 1d measured co-workers' directed behavioural patterns in the Nigerian banking industry. The Cronbach's alpha coefficient for the 5 items measuring co-workers' directed behavioural patterns was 0.838. The mean, standard deviation and factor loadings of items measuring factor 5 (supervisor-directed behavioural patterns) in the Nigerian banking industry are presented in Table 1e.

TABLE 1d: Exploratory factor analysis of the measurement of human resource outcomes: Factor 4 (Co-workers' directed behaviour)

Item	Mean	SD	Factor loading	Item total correlation
9. Questions inefficient ways of doing things in his/her work group.	3.54	.921	.730	.615
8. Keeps co-workers informed of the progress of his/her work in group projects.	3.80	.876	.730	.652
11. Suggests improvements to increase his/her work group's efficiency.	3.85	.794	.688	.618
7. Provides constructive feedback that helps co-workers.	3.88	.777	.605	.588
1. Participates in solving problems in the organisation.	3.62	.888	.558	.518

Source: Emerged from the statistical analysis

TABLE 1e: Exploratory factor analysis of the measurement of human resource outcomes: Factor 5 (Supervisor-directed behaviour)

Item	Mean	SD	Factor loading	Item total correlation
17. Supervisor suggests ways to improve the work group's performance.	3.91	.777	.769	.681
16. Supervisor keeps you informed of important events which concern you.	3.87	.846	.680	.607
18. Supervisor advises you on ways to improve your management practices.	3.89	.833	.672	.624
15. Supervisor helps you by doing things that are not really part of his/her regular duties.	3.49	.970	.662	.469

Notes: KMO = .908; $\chi^2 = 6627.795$; DF= 820; $P < .001$; percentage of variance explained = 62.090%

Source: Emerged from the statistical analysis

Supervisor-directed behavioural pattern emerged from the statistical analysis as the fifth factor influencing HR outcomes in the Nigerian banking industry. The internal consistency of the four items measuring supervisor-directed behavioural patterns was 0.790. Factor 1 as presented in Table 1a measured employee skills in the Nigerian Banking sector. Factors 2 and 3 presented in Table 1b and 1c respectively (satisfaction with job fulfilment and satisfaction with empowerment as well as work facilitation respectively) were factors

measuring employees' attitudes in the Nigerian banking industry. Factors 4 and 5 as illustrated in Table 1d and 1e respectively (co-workers' and supervisor-directed behavioural patterns) were factors measuring employees' behavioural patterns in Nigerian banking sector.

A descriptive analysis of factors influencing HR outcomes, correlations and scale reliabilities is presented in Table 2.

TABLE 2: Results of factors correlation and scale reliability with descriptive analysis

Variables	Mean	SD	1	2	3	4	5
1 Employee skills	41.1869	6.63780	(.919)				
2 Satisfaction with job fulfilment	18.4885	3.68327	.614**	(.891)			
3 Satisfaction with empowerment and work facilitation	11.0066	2.02126	.738**	.801**	(.715)		
4 Co-workers' directed behaviour	22.4164	3.77758	.317**	.372**	.376**	(.838)	
5 Supervisor-directed behaviour	15.1508	2.67239	.497**	.401**	.549**	.412**	(.790)

**Correlation is significant at the 0.001 level (2-tailed). Alpha coefficient estimates are presented in the diagonal

Source: Emerged from the statistical analysis

All correlation coefficients of factors influencing HR outcomes in the Nigerian banking industry were positive and significantly correlated. On examining the strengths of the correlation coefficients as presented in Table 2, one can conclude that the association between factors influencing HR outcomes in the industry ranged from moderate to strong associations. Statistically, all correlation coefficients were significant at $p < 0.001$, which could explain the level at which one factor influenced another.

Two of the seven factors suggested by the EFA were excluded in the measurement model because the Cronbach's alpha coefficients of those factors were below 0.700, based on the rule of thumb (Pallant 2011:100). These factors were three items from the measurement of customer-directed behavioural pattern (0.695) and three items measuring organisation-directed behavioural pattern (0.687). The exclusion of these two factors had no negative implications for the model; rather, it improved the quality of the model judging from model fit indices. Based on the outcomes of the EFA, the initial proposed model in this study was assessed using the CFA via structural equation modelling (see Table 3).

Table 3: Assessment of the measurement model fit to the data

Model fit indices	CMIN	DF	CMIN/DF	RMSEA	GFI	IFI	TLI	CFI
CFA	781.694	386	2.025	0.058	0.855	0.916	0.905	0.915

Source: Emerged from the statistical analysis

The model fit indices presented in Table 3 signified an acceptable result showing fitness of the proposed model to the collected data. This result suggests that approximately 86% of the variances and co-variances of the proposed model could be explained by the collected data (GFI = 0.855). Empirical evidence provided from the CFA shows that all factor loadings ranged from .563 to .872, significant at $p < 0.001$, which indicated statistical validity of the proposed model.

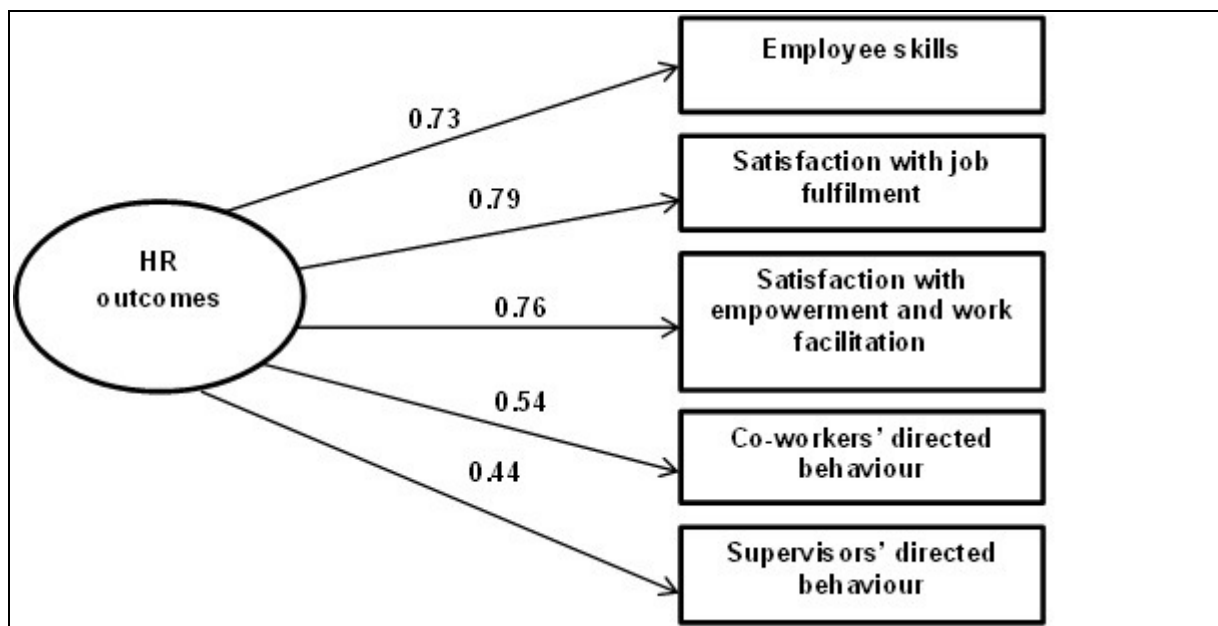


FIGURE 2: Structural model on HR outcome factors in the Nigerian banking industry

Chi-square (CMIN) = 17.025; DF = 5; p-value < 0.01; CMIN/DF = 3.405 (<5); GFI = 0.979 (>0.90); NFI = 0.962(>0.90); IFI = 0.973 (>0.90); TLI = 0.945(>0.90); CFI = 0.972 (>0.90); RMSEA = 0.081 (slightly above 0.08)

Source: Emerged from the statistical analysis

The model fit indices listed below Figure 2 suggest a good model fit. These indices and factors loading revealed the contributions of each determinant of HR outcomes in the Nigerian banking industry. All factor loadings were significant at $p < 0.001$. In order of

importance, the findings of this study showed that satisfaction with job fulfilment, satisfaction with empowerment and work facilitation, employee skills, co-workers' and supervisor-directed behaviours are HR outcome factors in the Nigerian banking industry.

5. LIMITATIONS

The study reported in this article assessed the factors influencing HR outcomes in the Nigerian banking industry. The outcomes of this study are limited to the Nigerian banking industry, thus similar studies may be conducted in others service organisations or manufacturing firms in Nigeria for authors' triangulation. Another limitation of this study is that all measures of factors influencing HR outcomes were based on the self-report method; thus the influences of employee skills, attitudes and behavioural patterns might have been over-inflated by the common method variance. This study was able to identify factors influencing HR outcomes in the banking industry. Since these factors have been established, future studies may consider the mediating influence of HR outcomes on the interplay between organisational culture and business performance in either manufacturing or service organisations.

6. MANAGERIAL RELEVANCE

Besides the theoretical implications mentioned earlier, this study provides practical implications for commercial banks operating in Nigeria. This paper has been able to structurally determine the factors influencing HR outcomes in the industry. Statistically verified, satisfaction with job fulfilment, empowerment and work facilitation as indicators of employee attitudes were found to play the most prominent role in HR outcomes in the banking industry. Therefore, based on the outcomes of this study, it is suggested that management should pay special attention to all factors influencing employee attitudes. Employee competence and capabilities are also crucial, judging from the factor loadings. Thus it is recommended that efforts be geared towards developing employee skills at all levels in the industry. Finally, it is emphasised that adequate efforts are required to encourage better behavioural patterns among employees in their interactions with all stakeholders in the banking industry.

7. CONCLUSION

The current study explored the structural determinants of HR outcomes by investigating the mutual influences of employee skills, attitudes and behavioural patterns in the Nigerian banking industry. Three major HR outcomes factors (employee skills, attitudes and

behavioural patterns were integrated in the study. Insights were drawn from two theoretical perspectives (Guest HR outcomes model and AMO) into a simple conceptual framework. The results showed that the proposed model is closely fitted to the collected data in the Nigerian banking industry. The formulated hypothesis was supported based on the empirical evidence presented in Figure 2. Based on the factor loadings, model fit indices and statistical level of significance, it can be concluded that employee skills, attitudes and behavioural patterns significantly influenced HR outcomes in the Nigerian banking industry.

The results showed that employee attitudes to work (satisfaction with job fulfilment, empowerment and work facilitation) made the largest contributions to HR outcomes in the Nigerian banking industry. Based on the outcomes of this research, it is evident that employee skills made significant contributions to the variations in HR outcomes in the banking industry. Employees' behavioural patterns (co-workers' and supervisor-directed behavioural patterns) also significantly influenced HR outcomes. The EFA revealed five key factors influencing HR outcomes in the Nigerian banking industry, namely employee skills, satisfaction with job fulfilment, satisfaction with empowerment and work facilitation, co-workers' behavioural pattern and supervisor-directed behavioural pattern.

The results of this study corroborate those of previous studies on factors influencing HR outcomes (Boselie et al. 2005:68; Guest 1997:270; Katou & Budhwar 2010:30; Paaue 2009:133; Thang et al. 2010:32). The only exception is that the current study was able to identify those indicators of employee attitudes and work behavioural patterns that significantly influenced HR outcomes in the Nigerian banking industry. More importantly, most of the previous studies on HR outcomes were conducted in America and Europe. The research reported in this article focused on an Africa perspective, specifically that of the Nigerian banking industry.

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