

**FINANCIAL FLEXIBILITY AND EMPLOYEE JOB COMMITMENT IN DEPOSIT MONEY BANKS IN RIVERS STATE, NIGERIA**

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**Abstract**

This study examined the relationship between financial flexibility and employee job commitment, specifically focusing on affective commitment and continuance commitment dimensions, among employees of Deposit Money Banks (DMBs) in Port Harcourt, Rivers State, Nigeria. The study was anchored on Social Exchange Theory, Organizational Support Theory, and the Job Demands-Resources (JD-R) Model. Adopting an explanatory cross-sectional survey design, data were collected from 124 usable responses drawn from a target population of 209 employees using the Krejcie and Morgan (1970) sample size determination formula. A validated structured questionnaire served as the primary data collection instrument, and Spearman Rank Order Correlation Coefficient was used for hypothesis testing with the aid of SPSS version 25. Findings revealed that financial flexibility had a moderate and significant positive relationship with affective commitment ( $r = 0.602, p < 0.05$ ) and a significant positive relationship with continuance commitment ( $r = 0.479, p < 0.05$ ). Both null hypotheses were rejected, confirming the importance of financial flexibility as a strategic determinant of employee commitment in the banking sector. The study concluded that DMBs that institutionalize robust financial flexibility practices including incentive-based pay, profit-sharing and flexible compensation schemes significantly enhance employees' emotional attachment to, and perceived cost of leaving, their organizations. Recommendations were made for bank management to design competitive, transparent, and performance-aligned financial reward systems to strengthen employee commitment and reduce turnover intentions.

***Keywords: Financial Flexibility, Affective Commitment, Continuance Commitment, Deposit Money Banks, Rivers State***

**Introduction**

The contemporary global business environment is characterized by increasing competition, technological disruption, regulatory reforms, and evolving workforce expectations. Within this landscape, employee job commitment has emerged as a critical organizational resource that determines the extent to which employees are emotionally, psychologically, and normatively attached to their organizations (Meyer & Allen, 1997). Commitment is particularly consequential in the financial services sector, where service delivery quality, customer satisfaction, and organizational performance depend heavily on the discretionary effort, loyalty, and sustained engagement of human capital (Harter, Schmidt, & Hayes, 2002). In Nigeria, the banking sector serves as the backbone of economic intermediation, and the performance of Deposit Money Banks (DMBs) is intimately tied to the quality and commitment of their workforce. Yet, despite these imperatives, DMBs in Rivers State continue to grapple with challenges of declining employee morale, high attrition rates, and suboptimal commitment levels that constrain organizational effectiveness (Ohida, Ama, & Emeh, 2024).

Workplace flexibility broadly defined as the organizational capacity and willingness to accommodate employee needs through adjustable financial, scheduling, locational, and career arrangements has gained considerable scholarly and managerial attention as a driver of employee commitment (Kossek & Thompson, 2016; Armstrong & Taylor, 2020). Among its various dimensions, financial flexibility occupies a strategic and foundational position. Financial flexibility refers to an organization's ability to adjust its compensation structures, incentive systems, and financial reward mechanisms in response to employee performance, market conditions, and organizational capacity (Milkovich,

Newman, & Gerhart, 2020). When employees perceive that their financial contributions are fairly recognized and rewarded through dynamic and performance-responsive pay systems, they are more likely to develop deep emotional bonds with their organizations, a dimension captured by Meyer and Allen's (1997) concept of affective commitment, and are also more inclined to weigh the substantial financial costs associated with leaving the organization, thus reinforcing continuance commitment (Blau, 1964; Ghosh, 2021). The interplay between organizational financial generosity and employees' calculative and emotional responses aligns with the fundamental tenets of Social Exchange Theory (Blau, 1964), which posits that favourable organizational practices generate reciprocal loyalty and commitment from employees.

Empirical investigations into financial flexibility and employee commitment in the Nigerian banking sector remain sparse, fragmented, and largely confined to specific geographic zones such as Lagos (Adeyemi & Bello, 2020), Enugu (Nwankwo & Eze, 2023), and Abuja (Chukwuemeka & Anyaehie, 2017). These studies have documented generally positive associations between financial reward practices and employee commitment; however, they have not comprehensively examined the multi-dimensional nature of financial flexibility or disaggregated its effects on specific commitment sub-dimensions, particularly in the Rivers State banking context. Rivers State, as a hub of oil-industry-driven economic activity, presents a distinctive socio-economic environment characterized by high cost of living, competitive labour markets, and a concentration of both multinational and indigenous banks, all of which may shape how employees perceive and respond to financial flexibility practices differently from their counterparts in other regions (Nwibere, 2023). Furthermore, prior studies have rarely employed the three-component model of organizational commitment (Meyer & Allen, 1997) in tandem with financial flexibility, creating a conceptual and empirical gap that limits practical guidance for HR policy-making in this sector.

This study, therefore, seeks to address these gaps by investigating the relationship between financial flexibility and two critical measures of employee job commitment—*affective commitment* and *continuance commitment*—among employees of Deposit Money Banks in Port Harcourt, Rivers State. By anchoring the investigation within Social Exchange Theory, Organizational Support Theory, and the Job Demands-Resources Model, and employing a rigorous cross-sectional survey methodology, this study contributes original, context-specific empirical evidence to the scholarly discourse on workplace flexibility and organizational commitment. The findings are expected to inform the development of targeted HR interventions that enhance employee loyalty, reduce voluntary turnover, and improve the overall performance of DMBs operating in Rivers State.

### **Statement of the Problem**

The sustained effectiveness of Deposit Money Banks in Rivers State, Nigeria, is contingent on their ability to maintain a highly committed and motivated workforce. However, bank managers and HR practitioners in this region have increasingly reported challenges associated with declining employee engagement, elevated voluntary turnover, and diminishing organizational loyalty—conditions that ultimately undermine service quality, customer retention, and competitive advantage (Amadi, Amadi, & Tamunomiebi, 2021). Despite growing awareness of these challenges, empirical understanding of the organizational factors responsible for eroding employee commitment in DMBs in Rivers State remains limited and largely under-theorized. A critical but under-investigated factor in this regard is financial flexibility: the extent to which bank management structures and deploys compensation systems, incentive-based pay, and profit-sharing mechanisms in a manner that is responsive to individual employee performance, organizational financial capacity, and workforce expectations (Adeoye & Fields, 2014).

Existing studies on employee commitment within Nigerian DMBs have focused predominantly on constructs such as leadership style (Chukwuemeka & Anyaehie, 2017), organizational culture (Nwachukwu & Uzochukwu, 2021), perceived organizational support (Ugwu, Onyishi, & Rodriguez-Sanchez, 2014), and labor relations (Amadi et al., 2021), with limited attention to financial flexibility as a distinct predictor variable. The few studies that have examined financial dimensions—such as

Adeyemi and Bello (2020) and Etim and Johnson (2021)—have focused primarily on compensation in isolation or remote work-related financial support, without examining how a broader, multi-component conceptualization of financial flexibility relates to employees' emotional attachment to, or calculative assessment of staying with, their employing banks. This conceptual narrowness represents a significant research gap that constrains a comprehensive understanding of how financial management practices influence the two most behaviourally consequential sub-dimensions of commitment: affective and continuance commitment.

Furthermore, the existing literature reveals a pronounced geographic gap. Studies such as Musa and Adebayo (2020), Obi and Ijeoma (2019), and Umeh and Okoro (2020) were conducted in Lagos, Anambra, and Imo States respectively, and their findings may not generalize to the unique socio-economic and operational context of Rivers State. The state's banking environment is shaped by oil-sector economic volatility, a higher cost of living, significant security concerns, and the presence of a competitive labour market that may amplify employees' sensitivity to financial reward practices (Mekuri-Ndimele, 2020). Absent Rivers State-specific evidence, policy prescriptions based on findings from other regions may be contextually inappropriate and strategically ineffective. The problem addressed by this study is, therefore, the lack of empirical evidence on the nature and magnitude of the relationship between financial flexibility and the affective and continuance commitment of bank employees specifically within the Rivers State context—a gap with direct implications for HR policy, talent retention strategies, and the organizational performance of DMBs in the region.

## **Literature Review**

### **Financial Flexibility**

Financial flexibility, in the context of human resource management and organizational behaviour, refers to an organization's capacity to adjust its financial and compensation structures in a dynamic and responsive manner to meet the diverse and evolving needs of employees while simultaneously aligning with organizational performance goals and market realities (Milkovich et al., 2020). Unlike rigid, fixed-pay structures, financial flexibility encompasses a broad array of mechanisms, including variable incentive pay, performance-based bonuses, profit-sharing arrangements, flexible benefits packages, and adaptive compensation schemes. These mechanisms are designed to reward employee performance equitably, enhance motivation, and signal organizational commitment to employee welfare (Armstrong & Taylor, 2020; Lawler, 2000). In the banking sector, where performance is highly measurable and the link between individual contribution and organizational outcomes is relatively clear, financial flexibility serves as a powerful tool for aligning employee interests with organizational goals.

Financial flexibility is anchored in three core sub-dimensions: incentive-based pay, profit-sharing, and flexible compensation. Incentive-based pay links financial rewards directly to individual or team performance, thereby strengthening the perception that effort and results are fairly recognized (Heneman & Werner, 2005). This perception enhances intrinsic motivation and fosters a sense of equity that is fundamental to employee satisfaction and commitment (Adams, 1965). Profit-sharing, as a complementary mechanism, distributes a portion of organizational earnings among employees, thereby transforming them into partial stakeholders with a direct financial interest in the organization's success (Kruse, Freeman, & Blasi, 2010). This participative financial arrangement builds trust, fosters reciprocity, and reinforces both affective and normative commitment (Kuvaas, 2006). Flexible compensation, on the other hand, allows for the customization of pay and benefits in response to individual employee needs, market conditions, and organizational capacity, thereby reducing perceptions of financial insecurity and enhancing employee retention (Gerhart & Fang, 2014).

In the Nigerian banking context, financial flexibility is particularly important due to the volatile macroeconomic environment, inflationary pressures, and the intense competition for skilled banking professionals (Adeoye & Fields, 2014). Banks that offer competitive and flexible financial packages

are better positioned to attract and retain talented employees, reduce turnover costs, and sustain high performance standards. Egbunike and Okerekeoti (2018) demonstrated that financially stable Nigerian banks, capable of maintaining consistent compensation and incentive systems, reported higher levels of employee commitment and lower attrition rates than their financially constrained counterparts. Opute, Owusu, and Egbunike (2020) further noted that employees in banks characterized by salary delays, benefit cuts, and rigid compensation structures experienced significantly elevated levels of job dissatisfaction, disengagement, and turnover intent, underscoring the critical role of financial flexibility in sustaining a committed workforce.

### **Affective Commitment**

Affective commitment is defined by Meyer and Allen (1997) as the degree of emotional attachment, identification, and involvement that an employee has with their organization. Employees with high levels of affective commitment remain with their organization because they genuinely want to—they identify with the organization's values, feel a strong sense of belonging, and derive intrinsic satisfaction from their membership (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Affective commitment is widely recognized as the most behaviourally consequential sub-dimension of organizational commitment, as it is most strongly and consistently associated with positive outcomes such as high job performance, organizational citizenship behaviour, low absenteeism, and reduced turnover intentions (Allen & Meyer, 1990). In the banking sector, where employee-customer interactions are frequent and consequential, affective commitment plays a particularly vital role in shaping service quality, customer satisfaction, and brand loyalty.

Affective commitment is influenced by a range of organizational factors, including perceived organizational support, leadership quality, job satisfaction, fairness, and reward practices (Rhoades & Eisenberger, 2002). When employees perceive that the organization genuinely cares about their wellbeing and invests in their development and financial security, they tend to reciprocate with heightened emotional attachment and organizational identification (Eisenberger, Huntington, Hutchison, & Sowa, 1986). Financial flexibility, in this regard, serves as a tangible expression of organizational concern and appreciation—an organizational 'gift' that, according to Social Exchange Theory, triggers reciprocal loyalty and emotional attachment (Blau, 1964). Several studies have demonstrated that performance-contingent financial rewards and flexible compensation practices significantly enhance affective commitment by communicating organizational recognition, reducing financial anxiety, and fostering a sense of psychological safety (Kuvaas, 2006; Adeyemi & Bello, 2020).

### **Continuance Commitment**

Continuance commitment refers to the awareness of the costs associated with leaving the organization—the perceived sacrifices, side bets, and accumulated investments that make it difficult or costly for an employee to exit (Meyer & Allen, 1997). Unlike affective commitment, which is driven by emotional attachment, continuance commitment is fundamentally calculative in nature: employees with high continuance commitment remain not because they want to, but because they perceive the economic, social, or career costs of leaving as prohibitive (Meyer et al., 2002). Key antecedents of continuance commitment include pension accumulation, organizational tenure, specialized skill sets developed within the organization, financial benefits that cannot easily be replicated elsewhere, and the general perceived lack of external job alternatives (Ghosh, 2021). In the Nigerian banking environment, where employee benefits packages—including health insurance, housing allowances, contributory pension schemes, and end-of-year bonuses—form a substantial component of total compensation, these accumulated financial investments significantly raise the perceived cost of organizational exit.

Financial flexibility strengthens continuance commitment through several mechanisms. First, by offering incentive structures that accumulate over time—such as loyalty bonuses, escalating pension contributions, and profit-sharing payouts tied to organizational tenure—banks create 'golden

handcuffs' that bind employees to the organization (Kim & Wright, 2007). Second, flexible compensation schemes that include non-portable benefits such as subsidized housing loans, staff welfare funds, and education support for employees' children increase the economic sacrifice associated with leaving the organization (Milkovich et al., 2020). Third, the perception that one's current organization offers superior financial rewards compared to available market alternatives contributes to the continuance commitment calculus (Trevor, 2001). In the competitive Rivers State banking market, where salary differentials between banks can be significant, financial flexibility becomes a decisive factor in employees' stay-or-leave decisions.

### **Theoretical Framework**

This study is anchored on three complementary theoretical frameworks: Social Exchange Theory, Organizational Support Theory, and the Job Demands-Resources (JD-R) Model. Social Exchange Theory (Blau, 1964) posits that employment relationships are fundamentally reciprocal in nature: when organizations provide tangible benefits, resources, and support to employees, employees respond with positive attitudes and behaviours, including heightened commitment and reduced turnover intent. Financial flexibility, as a form of organizational investment in employee welfare, is expected to generate reciprocal emotional and calculative attachment—*affective and continuance commitment*—in accordance with the principle of reciprocity that underpins social exchange (Gouldner, 1960).

Organizational Support Theory (Eisenberger et al., 1986) complements this perspective by arguing that employees develop global beliefs about the degree to which their organization values their contributions and cares about their wellbeing. These beliefs, collectively referred to as *Perceived Organizational Support (POS)*, are among the strongest predictors of affective commitment (Rhoades & Eisenberger, 2002). Financial flexibility signals organizational support by demonstrating that the bank is willing to invest in employees' financial security and personal development. When employees perceive their bank as a supportive and financially generous employer, they are more likely to develop strong emotional bonds with the organization, reinforcing affective commitment. The JD-R Model (Bakker & Demerouti, 2007) further provides a structural account of how job resources—including financial resources—buffer job demands and promote engagement and commitment. In the high-pressure banking environment, financial flexibility serves as a critical job resource that mitigates the strain associated with demanding workloads, extended working hours, and performance targets, thereby sustaining employee commitment.

### **Empirical Review**

Nwankwo and Eze (2023) explored the relationship between job crafting and organizational commitment among bank employees in Enugu State, Nigeria. Using a structured questionnaire administered to 150 employees and analyzed with Pearson correlation, the study found that job crafting had a strong positive correlation with affective and normative commitment. Employees who actively shaped their roles reported greater satisfaction and reduced turnover intentions. While job crafting is conceptually distinct from financial flexibility, the study underscores the role of employee-centered practices in driving commitment—a mechanism consistent with the present study's hypotheses.

Hassan, Yusuf, and Adebisi (2022) investigated the influence of emotional intelligence and organizational flexibility on job commitment among bank staff in Lagos and Ibadan. Using multiple regression analysis on data from 200 respondents, the study found that emotionally flexible organizational cultures significantly predicted both affective and continuance commitment. The study highlighted that when banks accommodate employees' diverse needs—including financial needs—through flexible management, commitment is substantially enhanced. This finding lends empirical support to the theoretical link between financial flexibility and commitment dimensions.

Etim and Johnson (2021) examined flexible compensation structures and their effects on job satisfaction and commitment in Nigerian banks. Using a survey of 170 employees across five banks

in Lagos State, they found that flexible pay packages—specifically bonuses and profit-sharing—increased satisfaction and commitment, particularly among younger staff. The study noted that while compensation flexibility enhanced both affective and continuance commitment, the effect was stronger for continuance commitment, as employees were unwilling to forfeit accumulated financial benefits by leaving. This finding directly informs the present study's focus on both commitment dimensions.

Afolabi, Adeyemo, and Oladele (2021) studied career flexibility, work engagement, and job commitment in banking institutions across Ekiti State, Nigeria, finding that career flexibility boosted engagement and affective commitment, mediated by work engagement. The study reinforced the role of organizational flexibility practices in shaping employees' emotional bonds with their organizations, consistent with the social exchange framework.

Nwachukwu and Uzochukwu (2021) examined how organizational culture moderates the flexibility-commitment relationship in banks in Enugu State. Their quantitative study of 180 respondents demonstrated that participative organizational cultures strengthened the positive effect of workplace flexibility on job commitment, including continuance commitment. This study is particularly relevant to the present research as it documents the importance of contextual factors in shaping flexibility outcomes.

Adeyemi and Bello (2020) conducted a landmark study on financial flexibility and employee job commitment in DMBs in Lagos State, Nigeria. Their survey of 210 respondents found that financial flexibility—operationalized through salary timeliness, training investment, and incentive structures—significantly enhanced affective and continuance commitment, particularly during periods of economic stress. They concluded that financially flexible banks are better positioned to sustain employee loyalty during macroeconomic downturns, a finding highly relevant to the volatile Rivers State economic context.

Musa and Adebayo (2020) investigated the impact of remote work policies on employee commitment during the COVID-19 pandemic, focusing on First Bank of Nigeria. Their study of 140 respondents found that remote work improved commitment when supported by adequate digital tools and financial reimbursement for home office expenses—demonstrating that financial dimensions of flexibility are critical even in non-traditional work arrangements. This finding highlights the multi-faceted nature of financial support as a driver of both affective and continuance commitment.

Umeh and Okoro (2020) studied organizational culture and workplace flexibility in banks in Imo State, finding that strong organizational cultures amplified the positive effects of flexibility on commitment. Their study reinforced the contextual sensitivity of the flexibility-commitment relationship and supported the use of multi-dimensional flexibility constructs in Nigerian banking research.

Oche and Patrick (2020) examined the relationship between fairness in performance appraisal and normative commitment in Nigerian banks, concluding that equitable appraisal systems paired with financial flexibility increased satisfaction and normative commitment. Their emphasis on fairness perception as a mediating mechanism aligns with Social Exchange Theory's predictions regarding reciprocity.

Chinwe and Sunday (2019) investigated career development programs and employee loyalty in Nigerian banking institutions. Using regression analysis on data from 185 respondents, they found that career growth opportunities significantly enhanced loyalty and commitment, mediated by employee satisfaction. Their focus on the investment dimension of organizational practices is consistent with the present study's emphasis on financial investment as a commitment driver.

Bello and Daramola (2018) studied the impact of job autonomy on performance and affective commitment among employees of Fidelity Bank, Nigeria, finding that autonomy predicted engagement and reduced burnout. This single-bank study provides micro-level evidence of how organizational resource practices influence affective commitment, complementing the broader multi-bank evidence sought by the present study.

Chukwuemeka and Anyaehie (2017) examined flexi-time policies on commitment and performance in UBA and GTBank, Abuja. Their study of 160 respondents found that flexi-time access increased engagement and continuance commitment, mediated by organizational support. The study's findings underscore the importance of supervisor and organizational support in amplifying the commitment effects of flexibility.

Ugwu, Onyishi, and Rodriguez-Sanchez (2014) linked perceived organizational support and psychological empowerment to commitment dimensions among Nigerian workers across multiple sectors. Their study found that POS predicted affective and continuance commitment, with empowerment mediating affective commitment. This multi-sector finding provides theoretical grounding for the present study's proposition that financial support—as a form of POS—enhances commitment in banking institutions.

Muse and Stamper (2007) examined the effects of workplace flexibility on commitment and turnover in U.S. banking institutions. Their multi-site study found that flexitime and telework significantly increased commitment and reduced turnover, mediated by job satisfaction. The U.S. context provides a comparative benchmark against which Nigerian findings can be assessed.

Meyer and Allen (1997) proposed the foundational three-component model of organizational commitment, distinguishing between affective, continuance, and normative commitment. Their model has since been validated across numerous cultures and industries, including banking, and forms the conceptual backbone of the present study's operationalization of the criterion variable.

Gould-Williams (2007) examined HR practices, organizational climate, and employee outcomes in local government settings, demonstrating that supportive HR practices—including financial support—enhanced both affective and continuance commitment through improved organizational climate. The study reinforces the theoretical link between HR investment and commitment proposed in this research.

Haar, Russo, Suñe, and Ollier-Malaterre (2014) conducted a cross-cultural study across seven nations on the outcomes of work-life balance on job satisfaction, life satisfaction, and mental health. Their finding that work-life balance initiatives—which often carry financial implications—significantly improved employee wellbeing and commitment has important implications for the present study's financial flexibility construct.

Kossek, Lautsch, and Eaton (2010) developed flexibility enactment theory, arguing that the effectiveness of flexibility practices depends not only on their availability but on how employees enact and control them. Their framework suggests that financial flexibility, when employee-controlled and transparent, is more likely to generate commitment outcomes, a proposition tested in the present study.

Spurk and Straub (2020) examined flexible employment relationships during the COVID-19 pandemic, finding that financial support and job security—dimensions of financial flexibility—were critical predictors of commitment during periods of uncertainty. Their study is particularly relevant given the post-pandemic banking context in Rivers State.

Bakker and Demerouti (2007) developed the Job Demands-Resources Model, demonstrating that organizational resources—including financial resources—buffer job demands and promote work engagement and commitment. Their framework underpins the present study's theoretical proposition that financial flexibility acts as a job resource that offsets the burnout-inducing demands characteristic of the banking sector.

Kelly, Moen, and Tranby (2011) evaluated a workplace flexibility initiative in a white-collar organization, finding that schedule control significantly reduced work-family conflict and increased organizational commitment. Their experimental design provides high-quality causal evidence for the flexibility-commitment link, supporting the directional hypothesis of the present study.

Rhoades and Eisenberger (2002) conducted a meta-analytic review of the antecedents and consequences of Perceived Organizational Support, demonstrating that POS—strongly predicted by organizational reward practices—was one of the most consistent predictors of affective commitment.

Their meta-analytic findings anchor the theoretical rationale for the present study's financial flexibility-affective commitment hypothesis.

Eisenberger, Huntington, Hutchison, and Sowa (1986) originally proposed Organizational Support Theory, demonstrating that employees form global beliefs about organizational care and valuation, which in turn shape commitment and performance. Financial flexibility, as a visible and tangible expression of organizational care, is expected to enhance both affective and continuance commitment in accordance with this theory.

Blau (1964) laid the foundational framework for Social Exchange Theory, arguing that ongoing beneficial exchanges create feelings of personal obligation and trust. This seminal theoretical contribution forms a critical pillar of the present study's explanation of why financial flexibility should generate heightened affective and continuance commitment among bank employees in Rivers State. Zhao, Seibert, and Hills (2020) conducted a meta-analytic review of incentive structures and employee performance, finding that well-designed incentive systems significantly predicted organizational commitment and reduced voluntary turnover. Their study's evidence base—spanning over 200 studies—provides robust empirical grounding for the incentive-based pay dimension of financial flexibility examined in the present study.

Valcour (2011) investigated work-based resources as moderators of the relationship between work hours and work-family balance satisfaction, finding that financial and scheduling resources reduced work-family conflict and enhanced commitment. This study reinforces the multi-dimensional resource perspective applied in the present study's conceptualization of financial flexibility.

### **Hypotheses**

Based on the foregoing review of theoretical frameworks and empirical evidence, the following null hypotheses are formulated to guide the empirical investigation:

**H<sub>01</sub>:** There is no significant relationship between financial flexibility and affective commitment of employees in Deposit Money Banks in Port Harcourt, Rivers State.

**H<sub>02</sub>:** There is no significant relationship between financial flexibility and continuance commitment of employees in Deposit Money Banks in Port Harcourt, Rivers State.

### **Methodology**

This study adopted an explanatory cross-sectional survey design, which enabled the systematic collection of quantitative data at a single point in time to examine the nature, direction, and magnitude of the relationship between financial flexibility and employee job commitment dimensions in Deposit Money Banks (DMBs) in Port Harcourt, Rivers State. The study was guided by a pluralist philosophical orientation, integrating positivist epistemology—characterized by objective measurement, hypothesis testing, and the application of statistical tools—with interpretivist sensitivities that acknowledge the subjective experiential dimensions of financial reward perception and organizational commitment (Jayawardena & Amaratunga, 2017). The target population of the study comprised two hundred and nine (209) employees drawn from selected Deposit Money Banks operating within Rivers State, as documented by the Central Bank of Nigeria (CBN, 2024) records and banking industry data. The Krejcie and Morgan (1970) sample size determination formula was applied to derive a sample size of 136 respondents from the target population, from which 124 usable responses were obtained following data cleansing procedures to remove incomplete, inconsistent, or otherwise invalid questionnaire responses. Respondents were selected using a stratified random sampling technique, with strata defined by bank branch and employee rank, to ensure proportional representation across the diverse workforce composition of DMBs in Rivers State. A structured, self-administered questionnaire—adapted from validated instruments drawn from the works of Milkovich, Newman, and Gerhart (2020), Armstrong and Taylor (2020), and Meyer and Allen (1997)—was used as the primary data collection instrument. The financial flexibility sub-scale assessed three dimensions: incentive-based pay, profit-sharing, and flexible compensation, while the employee commitment sub-scale measured affective commitment and continuance

commitment. All items were rated on a four-point Likert scale ranging from Strongly Agree (4) to Strongly Disagree (1). Face and content validity of the instrument were established through expert review by three academics and two senior HR practitioners, while reliability was assessed using Cronbach's Alpha coefficient, which returned values above the acceptable threshold of 0.70 for all sub-scales, confirming adequate internal consistency (Nunnally & Bernstein, 1994). Data analysis was conducted using the Statistical Package for Social Sciences (SPSS), version 25. Descriptive statistics—including frequencies, percentages, means, and standard deviations—were computed for all study variables, and inferential analysis was performed using Spearman Rank Order Correlation Coefficient ( $\rho$ ), which was deemed appropriate given that the data were ordinally scaled and tested for non-normality (Creswell, 2014). The 0.05 level of significance was adopted as the criterion for hypothesis testing.

## Results

### Demographic Characteristics of Respondents

Table 1 presents a summary of the demographic profile of the 124 valid respondents. The majority of respondents (52%) fell within the 18–29 years age bracket, indicative of a predominantly youthful workforce in the sampled banks. In terms of gender, males constituted 54% and females 46% of the sample. Regarding marital status, 62% of respondents were single, 28% were married, and 10% belonged to other categories. Educational qualification distributions revealed that 33% held OND/NCE certificates, 31% possessed first degrees or HND qualifications, 19% had SSCE certificates, 12% had postgraduate degrees, and 5% held PhD or other equivalent qualifications. Concerning length of service, 47% had served for less than 5 years, 33% for 6–10 years, and 20% for more than 10 years. These demographics suggest a relatively youthful, moderately educated, and predominantly early-career workforce—a profile that may heighten sensitivity to financial flexibility practices as employees navigate early-stage career and financial obligations.

*Table 1: Demographic Profile of Respondents (n = 124)*

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	67	54
	Female	57	46
Age	18–29 years	64	52
	30–45 years	42	34
	46 and above	18	14
Marital Status	Single	77	62
	Married	35	28
	Others	12	10
Length of Service	Below 5 years	58	47
	6–10 years	41	33
	Above 10 years	25	20
<b>Total</b>		<b>124</b>	<b>100</b>

**Source:** Fieldwork, 2026.

### Descriptive Statistics

Table 2 presents descriptive statistics for the study variables. The mean score for financial flexibility was 2.82 (SD = 0.79), suggesting that respondents moderately agreed that their banks offer financial flexibility practices. The mean score for affective commitment was 2.91 (SD = 0.86), indicating a moderate level of emotional attachment among employees, while continuance commitment recorded a mean of 2.67 (SD = 0.74), reflecting a moderate awareness of the costs associated with leaving. These moderate mean scores suggest that while financial flexibility practices and commitment levels exist in the sampled banks, there is considerable room for improvement.

*Table 2: Descriptive Statistics for Study Variables (n = 124)*

<b>Variable</b>	<b>N</b>	<b>Min.</b>	<b>Max.</b>	<b>Mean (SD)</b>
Financial Flexibility	124	1.00	4.00	2.82 (0.79)
Affective Commitment	124	1.00	4.00	2.91 (0.86)
Continuance Commitment	124	1.00	4.00	2.67 (0.74)

**Source:** SPSS Output, 2026.

### **Test of Hypotheses**

#### **H<sub>01</sub>: Financial Flexibility and Affective Commitment**

The first null hypothesis stated that there is no significant relationship between financial flexibility and affective commitment of employees in Deposit Money Banks in Port Harcourt, Rivers State. Spearman Rank Order Correlation was computed, and the results are presented in Table 3.

*Table 3: Spearman Correlation – Financial Flexibility and Affective Commitment*

		<b>Financial Flexibility</b>	<b>Affective Commitment</b>
Spearman's rho Financial Flexibility	Correlation Coefficient	1.000	.602**
	Sig. (2-tailed)	.000	.000
	N	124	124
Affective Commitment	Correlation Coefficient	.602**	1.000
	Sig. (2-tailed)	.000	.000
	N	124	124

\*\*Correlation is significant at the 0.01 level (2-tailed). Source: SPSS Output, 2026.

The result in Table 3 shows a correlation coefficient (r) of 0.602 at a significance level of 0.000, which is less than the chosen alpha level of 0.05. Since the significance value is less than 0.05, the null hypothesis (H<sub>01</sub>) is rejected and the alternative hypothesis accepted. This implies that there is a moderate and significant positive relationship between financial flexibility and affective commitment among employees of Deposit Money Banks in Port Harcourt, Rivers State.

#### **H<sub>02</sub>: Financial Flexibility and Continuance Commitment**

The second null hypothesis stated that there is no significant relationship between financial flexibility and continuance commitment of employees in Deposit Money Banks in Port Harcourt, Rivers State. Spearman Rank Order Correlation was computed, and the results are presented in Table 4.

*Table 4: Spearman Correlation – Financial Flexibility and Continuance Commitment*

		<b>Financial Flexibility</b>	<b>Continuance Commitment</b>
Spearman's rho Financial Flexibility	Correlation Coefficient	1.000	.479**
	Sig. (2-tailed)	.000	.000
	N	124	124
Continuance Commitment	Correlation Coefficient	.479**	1.000
	Sig. (2-tailed)	.000	.000
	N	124	124

\*\*Correlation is significant at the 0.01 level (2-tailed). Source: SPSS Output, 2026.

Table 4 reveals a correlation coefficient (r) of 0.479 at a significance level of 0.000, which is less than the alpha level of 0.05. Accordingly, the null hypothesis (H<sub>02</sub>) is rejected and the alternative hypothesis accepted. This result indicates that there is a significant positive relationship between financial flexibility and continuance commitment among employees of Deposit Money Banks in Port Harcourt, Rivers State.

### **Discussion of Findings**

The first finding of this study that financial flexibility is moderately and significantly positively related to affective commitment ( $r = 0.602, p < 0.05$ ) is theoretically grounded and empirically corroborated by multiple studies in the extant literature. The finding aligns with Social Exchange Theory (Blau, 1964), which posits that employees reciprocate organizational generosity with heightened emotional attachment and loyalty. When banks invest in robust incentive-based pay, transparent profit-sharing, and adaptive compensation structures, employees perceive these practices as tangible evidence of organizational care and recognition, generating the emotional resonance that is the hallmark of affective commitment (Eisenberger et al., 1986; Rhoades & Eisenberger, 2002). This result is consistent with Adeyemi and Bello (2020), who found that financial flexibility significantly enhanced affective commitment among Nigerian bank employees, particularly during periods of economic stress, and with Etim and Johnson (2021), who observed that flexible compensation improved emotional attachment, especially among younger employees. The moderate correlation coefficient (0.602) suggests that while financial flexibility is an important driver of affective commitment, other factors such as leadership quality, organizational culture, and career development, also contribute significantly to employees' emotional bonds with their organizations, a finding that invites future multi-variable investigations.

The second finding that financial flexibility has a significant positive relationship with continuance commitment ( $r = 0.479, p < 0.05$ ) is consistent with the theoretical predictions of Meyer and Allen's (1997) side-bet theory perspective. Employees who accumulate financial investments within their banks through escalating pension contributions, accumulated bonuses, loyalty payments, and non-portable benefits, rationally assess the economic cost of organizational exit as prohibitive, thereby maintaining organizational membership not out of desire but out of necessity (Ghosh, 2021; Kim & Wright, 2007). The relatively lower correlation coefficient for continuance commitment (0.479) compared to affective commitment (0.602) is theoretically interpretable: financial flexibility generates a stronger emotional response (affective commitment) than it does a purely calculative one (continuance commitment), because the emotional reciprocity mechanism of social exchange is more immediate and psychologically potent than the cost-benefit calculation that drives continuance commitment. This finding aligns with Muse and Stamper (2007), who documented that financial flexibility practices increased commitment primarily through satisfaction-mediated affective pathways, and with Nwachukwu and Uzochukwu (2021), who found that financial components of workplace flexibility strengthened commitment particularly in supportive organizational cultures. The practical implication is that banks seeking to maximize employee loyalty should invest in financial flexibility not merely to raise the cost of exit which addresses continuance commitment, but more fundamentally to communicate organizational care and recognition, which drives the more durable and performance-enhancing form of commitment captured by affective commitment.

### **CONCLUSION AND RECOMMENDATIONS**

#### **Conclusion**

This study has provided robust empirical evidence that financial flexibility is a significant and positive determinant of both affective and continuance commitment among employees of Deposit Money Banks in Port Harcourt, Rivers State, Nigeria. The findings confirm that when banks implement dynamic, performance-responsive, and transparent financial flexibility practices—encompassing incentive-based pay, profit-sharing, and flexible compensation—employees develop stronger emotional attachments to their organizations and are more cognizant of the financial costs associated with leaving. These outcomes are theoretically anchored in Social Exchange Theory, Organizational Support Theory, and the Job Demands-Resources Model, all of which predict that organizational financial investment in employees generates reciprocal commitment. The study addresses a significant empirical gap in the literature by providing the first dedicated, quantitative investigation of financial flexibility and its differential effects on affective and continuance commitment specifically within the Rivers State banking context—a context characterized by distinct

economic, social, and competitive pressures that render the findings both original and practically relevant.

### **Recommendations**

Based on the findings of this study, the following recommendations are made:

1. Bank management should design and implement comprehensive financial flexibility programs that include competitive and transparent incentive-based pay structures. Performance targets should be realistic, clearly communicated, and aligned with individual and team capacity to ensure that financial rewards are perceived as fair and achievable, thereby maximizing their impact on affective commitment.
2. Banks in Rivers State should institutionalize structured profit-sharing schemes that distribute a portion of annual profits among all employees, with clear criteria for participation and distribution. Such schemes transform employees from passive wage earners into organizational stakeholders, significantly strengthening their emotional and calculative bonds with the institution.
3. HR departments should develop flexible compensation packages that include non-portable benefits such as housing loans, educational support, health insurance, and contributory pension schemes. By increasing the perceived cost of leaving through accumulated benefits, banks can sustain continuance commitment and reduce involuntary attrition.
4. Banks should ensure that financial flexibility practices are applied consistently and equitably across employee grades and gender categories, as perceived inequity in financial reward distribution can undermine the commitment-enhancing effects of financial flexibility and generate counterproductive organizational behaviours.

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