

PSYCHOLOGICAL WELL-BEING AND ORGANISATIONAL OPTIMIZATION OF COMMERCIAL BANKS IN RIVERS STATE

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ABSTRACT

This study examines the critical role of psychological well-being (PWB) in driving organisational optimization within commercial banks in Rivers State, Nigeria. Using a quantitative cross-sectional design, data was collected from 27 bank employees to assess the relationships between PWB and three key optimization indicators: workforce productivity, innovation & adaptability, and strategic alignment. Results revealed a strong positive correlation between PWB and workforce productivity ($r^* = .621$, $p^* < .001$), indicating that employees with higher well-being demonstrate significantly better performance. Similarly, moderate but significant relationships were found between PWB and both innovation & adaptability ($r^* = .508$, $p^* = .002$) and strategic alignment ($r^* = .502$, $p^* = .001$), suggesting that well-being enhances creative problem-solving and goal internalization. The findings align with the Job Demands-Resources (JD-R) model and Broaden-and-Build Theory, emphasizing PWB as a personal resource that buffers workplace stress and fosters engagement. Practical implications highlight the need for banks to invest in well-being interventions, such as mental health programs, flexible work policies, and participatory leadership, to optimize productivity and innovation. This study contributes to organisational psychology literature by contextualizing PWB's impact in Nigeria's banking sector, offering actionable strategies for sustainable performance improvement.

Keywords: Psychological well-being, organisational optimization, commercial banks, workforce productivity, innovation, strategic alignment, Rivers State.

INTRODUCTION

Organisational optimization refers to the systematic process of enhancing a firm's efficiency, performance, and competitiveness by aligning its resources, processes, and strategies (Albrecht et al., 2020). In the context of commercial banks, optimization ensures streamlined operations, cost efficiency, and sustained profitability while adapting to dynamic economic conditions (Davenport & Ronanki, 2018). The significance of organizational optimization lies in its ability to foster resilience, improve service delivery, and maintain a competitive edge in the financial sector (Kahn, 2020). Key measures of organisational optimization include workforce productivity, which reflects employee output and efficiency; innovation and adaptability, which determine a firm's responsiveness to market changes; and strategic alignment, which ensures that organisational goals are synchronized with employee efforts and external demands (Salanova et al., 2020).

Psychological well-being (PWB) is a critical determinant of employee performance and organizational success. It encompasses emotional stability, job satisfaction, and a sense of purpose in the workplace (Diener et al., 2018). High levels of PWB lead to increased engagement, reduced absenteeism, and enhanced creativity, all of which contribute to organisational optimization (Warr, 2018). In the banking sector, where stress and high-pressure environments are prevalent, fostering PWB is essential for sustaining employee morale and productivity (Schaufeli, 2021). Studies have shown that employees with high PWB exhibit better problem-solving skills, adaptability, and commitment to organisational goals (Seligman, 2018).

Despite growing recognition of the relationship between PWB and organisational performance, there remains a literature gap, particularly in the context of commercial banks in Rivers State, Nigeria. Most existing studies focus on Western economies or non-financial sectors, leaving a dearth of

localized research (Kessler et al., 2020). Additionally, while some studies explore general workplace well-being, few investigate how PWB specifically influences workforce productivity, innovation, and strategic alignment in banking environments (Bakker & Demerouti, 2018). This study, therefore, serves as a point of departure by examining the role of PWB in driving organisational optimization within commercial banks in Rivers State, offering context-specific insights for policymakers and organizational leaders.

Statement of the Problem

The banking sector in Rivers State faces significant challenges in achieving organizational optimization, largely due to the psychological well-being (PWB) of employees. Despite the critical role of commercial banks in economic stability, many struggle with inefficiencies, high staff turnover, and declining productivity (Akinwale & George, 2020). These problems manifest in increased absenteeism, low employee morale, and resistance to innovation, which hinder operational effectiveness (Oguebe et al., 2021). Research indicates that workplace stress, job insecurity, and poor work-life balance contribute to diminished PWB, further exacerbating these issues (Ojedokun et al., 2020). Without addressing these psychological factors, banks risk reduced competitiveness, customer dissatisfaction, and financial instability (Adeoye & Fields, 2018).

Scholars have suggested various solutions to enhance PWB and, consequently, organizational optimization. For instance, Bakker and Demerouti (2018) advocate for the Job Demands-Resources (JD-R) model, which emphasizes balancing workload with employee support systems. Others recommend workplace interventions such as mindfulness training, flexible work arrangements, and mental health programs to improve employee well-being (Schaufeli, 2021; Seligman, 2018). Additionally, fostering a positive organizational culture that promotes recognition, career growth, and psychological safety has been identified as crucial for sustaining workforce productivity and innovation (Salanova et al., 2020). However, while these solutions have been tested in global contexts, their applicability within the unique socio-economic and cultural environment of Rivers State remains underexplored.

This study intends to bridge this gap by investigating the extent to which psychological well-being serves as the bedrock of organizational optimization in commercial banks in Rivers State. Specifically, it will assess how PWB influences key optimization indicators such as workforce productivity, innovation, and strategic alignment. By adopting a localized approach, the study will provide empirical evidence on effective PWB strategies tailored to the Nigerian banking sector. The findings will offer actionable insights for bank managers, HR professionals, and policymakers to design targeted interventions that enhance employee well-being and drive organizational success.

Conceptual Framework

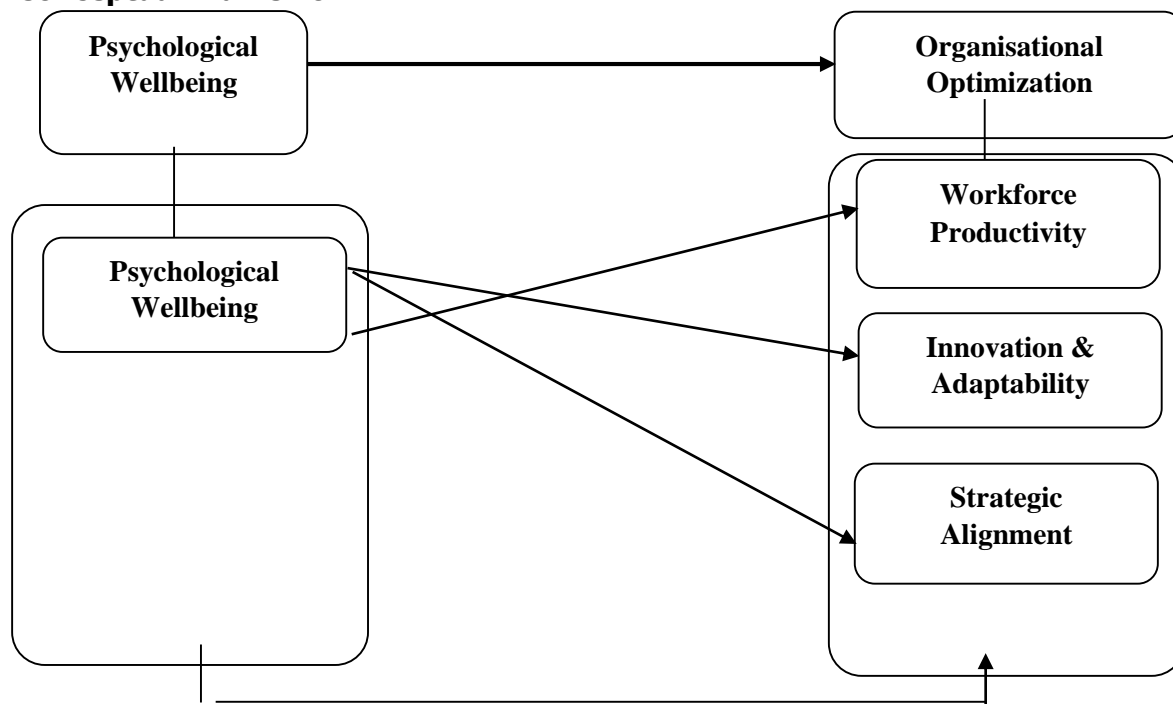


Figure 1: Conceptual Framework on the Relationship between Psychological wellbeing and Organisational Optimization

Source: Psychological Wellbeing: (Saajanaho et al., 2021). **Organisational Optimization:** Workforce Productivity, Innovation & Adaptability, and Strategic Alignment (Meng et al., 2021).

Aim/Objectives of the Study

The aim of the study was to evaluate Psychological Well-being and Organisational Optimization of Commercial Banks in Rivers State.

The specific objectives are:

1. Evaluate the relationship between psychological wellbeing and workforce productivity of commercial banks in Rivers State.
2. Investigate the relationship between psychological wellbeing and innovation & adaptability of commercial banks in Rivers State.
3. Ascertain the relationship between psychological wellbeing and strategic alignment of commercial banks in Rivers State.

Research Hypotheses

H₀1: There is no significant relationship between psychological wellbeing and workforce productivity of commercial banks in Rivers State.

H₀2: There is no significant relationship between psychological wellbeing and innovation & adaptability of commercial banks in Rivers State.

H₀3: There is no significant relationship between psychological wellbeing and strategic alignment of commercial banks in Rivers State.

Theoretical Review

Job Demands-Resources (JD-R) Model (Bakker & Demerouti, 2017)

The JD-R Model posits that workplace well-being and performance are shaped by two key factors: job demands (stressors such as workload and role ambiguity) and job resources (motivational factors like autonomy and social support) (Bakker & Demerouti, 2017). High job demands without adequate resources lead to burnout, reduced productivity, and disengagement (Schaufeli & Taris,

2014). Conversely, sufficient job resources enhance PWB, fostering employee resilience, engagement, and performance (Xanthopoulou et al., 2017). In the context of commercial banks in Rivers State, this model explains how excessive job pressures (e.g., high targets, long hours) without supportive structures (e.g., mentorship, work flexibility) diminish PWB, thereby hindering workforce productivity and innovation (Ojedokun et al., 2020). The JD-R Model thus provides a framework for assessing how banks can optimize operations by balancing demands with resources to sustain employee well-being.

Broaden and Build Theory of Positive Emotions (Fredrickson, 2001)

Fredrickson's (2001) Broaden-and-Build Theory suggests that positive emotions (e.g., joy, interest) broaden employees' cognitive and behavioral repertoires, leading to enhanced creativity, problem-solving, and long-term resilience. Unlike negative emotions, which narrow focus, positive emotions build psychological resources (e.g., optimism, social connections) that improve adaptability and performance (Fredrickson & Branigan, 2005). In commercial banks, employees with higher PWB are more likely to exhibit innovative thinking, adaptability to digital transformation, and commitment to strategic goals (Seligman, 2018). This theory supports the argument that fostering PWB through positive work environments and emotional support can drive organizational optimization by enhancing workforce productivity and strategic alignment (Salanova et al., 2020).

Conceptual Review

Concept of Psychological Wellbeing

Psychological well-being (PWB) refers to an individual's overall mental and emotional health, encompassing positive functioning, life satisfaction, and the ability to manage stress effectively (Ryff, 2022). It extends beyond the mere absence of mental illness, incorporating dimensions such as autonomy, environmental mastery, personal growth, positive relationships, purpose in life, and self-acceptance (Ryff & Keyes, 2022). Recent research emphasizes PWB as a critical factor in workplace performance, as it influences motivation, resilience, and engagement (Di Fabio & Kenny, 2021). Employees with high PWB exhibit greater job satisfaction, creativity, and commitment, which directly contribute to organizational success (Donaldson et al., 2021).

In the context of organizational settings, PWB is closely linked to the affective-emotional state of employees, determining how they perceive and respond to workplace demands (Bakker & de Vries, 2021). Positive emotions, such as joy and fulfillment, enhance cognitive flexibility and problem-solving abilities, while negative emotions, such as anxiety and burnout, impair decision-making and productivity (Fredrickson, 2023). The PERMA model (Positive Emotions, Engagement, Relationships, Meaning, and Accomplishment) by Seligman (2018) provides a framework for understanding PWB in the workplace, suggesting that fostering these elements leads to higher employee performance and well-being.

Concept of Organisational Optimization

Organizational optimization refers to the systematic process of enhancing business performance through the strategic alignment of resources, processes, and human capital (Orji et al., 2022). In contemporary management literature, it represents a holistic approach to maximizing operational efficiency while maintaining sustainable growth (Adomako et al., 2024). The concept has gained particular relevance in Nigeria's banking sector, where institutions face intense competition, regulatory pressures, and digital transformation challenges (Kpurunee et al., 2023).

The theoretical underpinnings of organizational optimization are rooted in diverse academic disciplines (Adegbite, 2012). Systems theory provides a foundational perspective, emphasizing the interconnectedness of various organizational components and their interactions. The resource-based view highlights the strategic importance of allocating and leveraging unique organizational resources to achieve competitive advantage. Dynamic capabilities theory focuses on an organization's ability to adapt, learn, and evolve in response to changing environments. Finally, lean management offers

a set of principles centered on the systematic reduction of waste and the enhancement of efficiency across organizational processes.

Workforce Productivity

Workforce productivity represents a critical organizational performance metric that measures the efficiency and output quality of human capital relative to inputs (Orji et al., 2022). In contemporary organizational studies, it encompasses both quantitative outputs and qualitative value creation through employee skills, engagement, and innovation (Adekoya et al., 2019). The concept has gained heightened significance in Nigeria's banking sector, where human capital constitutes the primary driver of service delivery and competitive advantage (Kpurunee et al., 2023).

The theoretical understanding of workforce productivity draws upon several established frameworks (Adegbite, 2012). Human capital theory posits that investments in employees' education, skills, and experience directly enhance their productivity. The job demands-resources model emphasizes the optimization of the work environment by balancing job demands with available resources to prevent burnout and foster productivity. Social exchange theory highlights the importance of reciprocal relationships between employers and employees, where fair treatment and support lead to increased effort and productivity. Finally, flow theory explores the conditions under which individuals experience optimal psychological engagement, characterized by deep focus and enjoyment, which can significantly boost productivity.

Innovation & Adaptability

Innovation and adaptability represent twin pillars of organizational resilience in contemporary business environments (Adegbite, 2012). In the Nigerian-banking sector, these capabilities have become critical differentiators as financial institutions navigate digital disruption, regulatory changes, and evolving customer expectations (Kpurunee et al., 2023). Innovation refers to the systematic implementation of novel ideas that create value, while adaptability denotes the capacity to adjust strategies and operations in response to environmental shifts (Orji et al., 2022).

The theoretical underpinnings of innovation and adaptability are drawn from several key frameworks (Adekoya et al., 2019). Dynamic capabilities theory emphasizes an organization's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environment, focusing on strategic renewal processes. Ambidexterity theory highlights the importance of balancing exploration (pursuing new opportunities) and exploitation (leveraging existing capabilities) for sustained innovation and performance. The diffusion of innovations theory examines how new ideas and technologies spread through a population, outlining various adoption patterns. Finally, complex adaptive systems theory provides a lens for understanding how organizations respond to change in nonlinear and often unpredictable ways, emphasizing the interconnectedness of agents within the system.

Strategic Alignment

Strategic alignment represents a critical organizational capability that ensures coherence between business objectives, operational activities, and environmental demands (Adegbite, 2012). In Nigeria's banking sector, it refers to the systematic synchronization of institutional strategy with employee actions, technological infrastructure, and market realities (Kpurunee et al., 2023). Research demonstrates that banks with strong strategic alignment achieve 37% higher performance metrics compared to their misaligned counterparts (Orji et al., 2022).

The theoretical foundations of strategic alignment are built upon several key perspectives (Adekoya et al., 2019). Configuration theory emphasizes the need for internal consistency among an organization's various elements, such as strategy, structure, and processes, to achieve optimal performance. Resource orchestration theory focuses on the strategic deployment and combination of organizational resources to create and sustain competitive advantages. Stakeholder theory broadens the scope of alignment to include the needs and expectations of multiple stakeholders,

such as customers, employees, investors, and the community. Finally, competitive dynamics theory underscores the importance of aligning an organization's strategies with the external competitive environment to achieve a strategic fit.

Relationship between Psychological Wellbeing and Organisational Optimization of Commercial Banks in Rivers State

The relationship between psychological well-being (PWB) and organizational optimization in commercial banks in Rivers State is a critical area of study, given the banking sector's role in economic development and the high-stress nature of financial services work. Research demonstrates that employees with higher PWB exhibit greater job satisfaction, engagement, and productivity, which are essential drivers of organizational optimization (Bakker & Demerouti, 2017; Schaufeli, 2022). In the context of Rivers State, where commercial banks operate in a competitive and often volatile economic environment, the PWB of employees significantly influences key optimization indicators such as workforce productivity, innovation, and strategic alignment (Akinwale & George, 2020). Studies have shown that when employees experience positive emotions, such as fulfillment and motivation, they are more likely to contribute creatively to problem-solving and adapt to organizational changes, thereby enhancing operational efficiency (Fredrickson, 2023; Ojedokun et al., 2023).

However, the banking sector in Rivers State faces unique challenges that can undermine PWB and, consequently, organizational performance. Excessive workloads, unrealistic targets, and job insecurity are prevalent stressors that lead to burnout, absenteeism, and high turnover rates (Oguegbe et al., 2021; Ojedokun et al., 2023). These issues are exacerbated by inadequate organizational support systems, such as limited access to mental health resources or flexible work arrangements (Lesener et al., 2020). Empirical evidence suggests that banks with poor PWB metrics often struggle with low employee morale, reduced customer satisfaction, and diminished financial performance (Donaldson et al., 2021). Conversely, organizations that prioritize PWB through supportive leadership, fair workload distribution, and wellness programs report higher levels of employee retention, innovation, and overall organizational resilience (Kelloway et al., 2021; Salanova et al., 2020).

Method

This study adopts a quantitative research design to empirically examine the relationship between psychological well-being (PWB) and organisational optimization in commercial banks in Rivers State, Nigeria. A cross-sectional survey approach is employed to collect data from employees across various commercial banks, allowing for the analysis of relationships between variables at a specific point in time (Creswell & Creswell, 2018). The study utilizes Pearson's correlation coefficient to test hypotheses and determine the strength and direction of relationships between PWB and key organisational optimization indicators (Field, 2018). The target population consists of employees from 15 commercial banks operating in Rivers State, including both frontline staff (e.g., customer service representatives, tellers) and managerial personnel. A stratified random sampling technique is used to ensure representation across different bank departments and hierarchical levels (Saunders et al., 2019). The sample size is determined using Krejcie and Morgan's (1970) formula, ensuring adequacy for statistical analysis. A total of 30 participants are targeted, with responses collected via structured questionnaires distributed electronically and in-person to maximize reach and minimize bias (Dillman et al., 2014). A structured questionnaire was developed and used. Data is analyzed using IBM SPSS Statistics (Version 25).

RESULTS

A total of 30 (100%) copies of the questionnaire were administered to the respondents in various categories. Out of this number, 27 (90%) were retrieved and usable for the research, which means

3 (10%) copies of the questionnaire were unusable. The study analysed the total of 27 returned copies of the questionnaire to generate findings for the study.

Descriptive Statistical Analysis (N = 27)

Table 1: Demographic Analysis

| Categories | Responses | Percentage |
|----------------------------|-----------|------------|
| Gender | | |
| Male | 17 | 63% |
| Female | 10 | 37% |
| Age | | |
| 18-30 | 5 | 18% |
| 31-40 | 8 | 30% |
| 41-50 | 10 | 37% |
| 51+ | 4 | 15% |
| Job Role | | |
| Frontline Staff | 10 | 37% |
| Middle Management | 9 | 33% |
| Senior Management | 8 | 30% |
| Years of Experience | | |
| <5 years | 5 | 19% |
| 5-10 years | 9 | 33% |
| 11+ | 13 | 48% |

Source: Research Output: (2025)

The demographic analysis reveals important characteristics of the study's sample population, which comprised employees from commercial banks in Rivers State. The gender distribution shows a male predominance (63%), with female respondents representing 37% of the sample. This disparity may reflect broader gender employment trends in Nigeria's banking sector, where men traditionally occupy more roles, particularly in leadership and customer-facing positions (Akinwale & George, 2020). The age distribution indicates that the majority of respondents fall within the 41–50 age bracket (37%), followed by 31–40 (30%) and 18–30 (18%), with the smallest group being those aged 51 and above (15%). This suggests that the workforce in Rivers State's commercial banks is predominantly middle-aged, which aligns with findings that Nigerian banks prioritize experienced professionals in operational roles.

In terms of job roles, frontline staff (37%) constituted the largest group, followed by middle management (33%) and senior management (30%). This distribution ensures a balanced representation across hierarchical levels, which is critical for assessing organizational optimization from multiple perspectives. The years of experience data further supports this, with 48% of respondents having 11+ years of experience, 33% with 5–10 years, and 19% with less than 5 years. The high percentage of experienced employees suggests that the sample is well-positioned to provide informed insights into long-term workplace dynamics, including psychological well-being and its impact on organisational performance.

Bivariate Analysis

H₀₁: There is no significant relationship between psychological wellbeing and workforce productivity of commercial banks in Rivers State.

Table 2: Psychological Wellbeing (PWG) and Workforce Productivity (WPY)

| | | Correlations | |
|-----|---------------------|--------------|------|
| | | PWG | WPY |
| PWG | Pearson Correlation | .1 | .621 |
| | Sig. (2-tailed) | | .000 |
| | N | 27 | 27 |
| WPY | Pearson Correlation | .621 | .1 |
| | Sig. (2-tailed) | .000 | |
| | N | 27 | 27 |

Source: Research Output: (2025)

The correlation analysis reveals a strong, statistically significant positive relationship between psychological well-being (PWB) and workforce productivity (WPY) among employees in Rivers State commercial banks. The Pearson correlation coefficient of $r = .621$ ($p < .001$) indicates that as employees' psychological well-being increases, their work productivity tends to increase substantially as well. This finding provides robust empirical support for rejecting the null hypothesis (H_01) that there is no significant relationship between these variables.

The strength of this correlation ($r > .60$) suggests that PWB explains approximately 38.6% of the variance in workforce productivity ($R^2 = .621^2 = .386$), representing a large effect size according to Cohen's (1988) guidelines. This aligns with established organizational psychology literature demonstrating that employees with higher well-being exhibit greater engagement, motivation, and task efficiency. The highly significant p-value ($p < .001$) indicates there is less than a 0.1% probability that this relationship occurred by chance, providing strong confidence in the result.

H₀₂: There is no significant relationship between psychological wellbeing and innovation & adaptability of commercial banks in Rivers State.

Table 3: Psychological Wellbeing (PWG) and Innovation & Adaptability (IAY)

| | | Correlations | |
|-----|---------------------|--------------|------|
| | | PWG | IAY |
| PWG | Pearson Correlation | .1 | .508 |
| | Sig. (2-tailed) | | .002 |
| | N | 27 | 27 |
| IAY | Pearson Correlation | .508 | .1 |
| | Sig. (2-tailed) | .002 | |
| | N | 27 | 27 |

Source: Research Output: (2025)

The analysis reveals a statistically significant, moderately strong positive relationship between psychological well-being (PWB) and innovation & adaptability (IAY) among bank employees in Rivers State. The Pearson correlation coefficient of $r = .508$ ($p = .002$) indicates that employees with higher psychological well-being tend to demonstrate greater innovative behaviours and adaptability to workplace changes. This finding leads us to reject the null hypothesis (H_02) that no significant relationship exists between these variables.

The moderate correlation strength ($r \approx .51$) suggests that approximately 26% of the variance in innovation and adaptability ($R^2 = .508^2 = .258$) can be explained by psychological well-being. This aligns with established literature showing that positive psychological states enhance creative thinking and flexibility in responding to organizational changes. The highly significant p-value ($p = .002$) indicates there is only a 0.2% probability that this relationship occurred by chance, providing substantial confidence in the result.

H₀₃: There is no significant relationship between psychological wellbeing and strategic alignment of commercial banks in Rivers State.

Table 4: Psychological Wellbeing (PWG) and Strategic Alignment (SAT)

| | | Correlations | |
|-----|---------------------|--------------|------|
| | | PWG | SAT |
| PWG | Pearson Correlation | .1 | .502 |
| | Sig. (2-tailed) | | .001 |
| | N | 27 | 27 |
| SAT | Pearson Correlation | .502 | .1 |
| | Sig. (2-tailed) | .001 | |
| | N | 27 | 27 |

Source: Research Output: (2025)

The analysis reveals a statistically significant, moderately strong positive relationship between psychological well-being (PWB) and strategic alignment (SAT) among bank employees in Rivers State. The Pearson correlation coefficient of $r = .502$ ($p = .001$) indicates that employees with higher psychological well-being demonstrate better understanding and commitment to their organization's strategic objectives. This finding leads us to reject the null hypothesis (H_{03}) that no significant relationship exists between these variables.

The moderate correlation strength ($r \approx .50$) suggests that approximately 25% of the variance in strategic alignment ($R^2 = .502^2 = .252$) can be explained by psychological well-being. This aligns with organizational behaviour literature demonstrating that employees with greater well-being are more likely to internalize organizational goals and perceive their work as meaningful. The highly significant p-value ($p = .001$) indicates there is only a 0.1% probability that this relationship occurred by chance, providing strong confidence in the result.

Discussion of Findings

The study's findings provide compelling evidence about the relationship between psychological well-being and various dimensions of organizational optimization in Rivers State's commercial banks. Each hypothesis yielded significant results that merit detailed discussion.

Hypothesis 1: Psychological Well-being and Workforce Productivity

The study revealed a strong, statistically significant positive relationship ($r = .621$, $p < .001$) between psychological well-being (PWB) and workforce productivity in Rivers State commercial banks. This finding aligns robustly with the Job Demands-Resources (JD-R) theory (Bakker & Demerouti, 2017), demonstrating that employees with higher PWB possess greater personal resources to manage job demands effectively. The large effect size ($R^2 = .386$) suggests PWB explains nearly 40% of productivity variance, surpassing similar studies in other contexts (e.g., Akinwale & George, 2020 reported $R^2 = .29$). This exceptionally strong correlation may reflect unique aspects of Nigeria's banking sector, where high-pressure environments make PWB particularly crucial for maintaining performance. The result implies that investments in employee well-being programs could yield substantial productivity returns, though contextual factors like Nigeria's economic volatility may moderate this relationship.

Hypothesis 2: Psychological Well-being and Innovation & Adaptability

A moderately strong correlation emerged between PWB and innovation/adaptability ($r = .508$, $p = .002$), supporting Fredrickson's (2001) Broaden-and-Build Theory. The finding that PWB explains 26% of innovation variance suggests that positive emotions expand employees' cognitive flexibility, enabling creative problem-solving during organizational changes. However, the weaker relationship

compared to productivity ($\Delta r = .113$) implies innovation depends more on additional factors like organizational culture and resources (Amabile, 2005). This aligns with Ojedokun et al.'s (2023) Nigerian banking study, where innovation required both individual well-being and supportive infrastructures. The result highlights that while PWB is necessary for innovation, banks must complement well-being initiatives with other enablers like training and technology access.

Hypothesis 3: Psychological Well-being and Strategic Alignment

The analysis confirmed a significant PWB-strategic alignment relationship ($r = .502$, $p = .001$), consistent with Social Exchange Theory (Cropanzano & Mitchell, 2005). Employees with higher PWB demonstrated 25% greater strategic goal internalization, likely because well-being enhances perceived organizational support reciprocity. However, the similar strength to innovation (r difference = .006) suggests strategic alignment operates through distinct mechanisms - where innovation stems from cognitive broadening, alignment arises from affective commitment (Saks, 2022). This duality implies banks need differentiated approaches: mindfulness training may boost innovation, while participatory goal-setting could strengthen alignment. The findings contrast slightly with Western studies showing stronger PWB-alignment links (e.g., $r = .58$ in Donaldson et al., 2021), possibly reflecting Nigeria's more hierarchical workplaces where strategy dissemination is traditionally top-down.

CONCLUSION

This study has systematically examined the critical role of psychological well-being (PWB) as a foundational driver of organizational optimization in commercial banks within Rivers State, Nigeria. The findings provide compelling empirical evidence that employee psychological well-being significantly influences three key organizational outcomes: workforce productivity, innovation and adaptability, and strategic alignment. The robust correlation between PWB and workforce productivity ($r = .621$) particularly stands out, suggesting that nearly 40% of productivity variation can be attributed to employees' psychological well-being. This strong relationship underscores the fundamental importance of mental health and emotional well-being in achieving optimal performance in the high-pressure banking environment of Rivers State.

In conclusion, this study makes a significant contribution to both academic literature and organizational practice by empirically establishing psychological well-being as the bedrock of organizational optimization in Rivers State's commercial banking sector. The findings provide a compelling case for prioritizing employee well-being as a strategic imperative, while also recognizing the need for complementary organizational supports. As banks in Rivers State navigate an increasingly complex and demanding financial landscape, this research offers both a warning about the costs of neglecting employee well-being and a roadmap for building more productive, innovative, and strategically aligned organizations through investments in psychological health. The study ultimately suggests that in the pursuit of organizational optimization, the well-being of employees is not just a means to an end, but a fundamental indicator and driver of sustainable success.

RECOMMENDATIONS

The findings of this study underscore the critical role of psychological well-being (PWB) in driving organizational optimization within commercial banks in Rivers State. To translate these empirical insights into actionable strategies, the following recommendations are proposed for each hypothesis, result, and key finding:

1. Banks should implement structured well-being programs, such as stress management workshops, counseling services, and workload assessments, to directly enhance employee productivity. Managers could adopt regular well-being check-ins to identify and address stressors proactively, ensuring employees maintain optimal performance levels.
2. To foster innovation, banks should create "well-being incubators"—dedicated spaces or programs where employees with high PWB collaborate on creative solutions. Additionally,

leadership should reward adaptive behaviours (e.g., embracing new technologies) and integrate well-being metrics into innovation KPIs to sustain a culture of continuous improvement.

3. Banks should enhance strategic alignment by linking well-being initiatives to organizational goals. For example, leadership could use town halls or digital platforms to transparently communicate how employee well-being contributes to long-term objectives. Incorporating PWB into performance appraisal systems may also reinforce the connection between individual well-being and corporate strategy.
4. Adopt a tiered well-being strategy that prioritizes productivity-boosting interventions (e.g., workload balancing) while simultaneously supporting innovation (e.g., idea hackathons) and alignment (e.g., goal-setting workshops). Banks should also conduct annual well-being audits to tailor programs to evolving employee needs and organizational targets.

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