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Job Rotation and Corporate Performance of Deposit Money Banks in Port Harcourt, Nigeria

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ABSTRACT

This study examined the relationship between Job rotation and Corporate performance of Deposit Money Banks in Port Harcourt, Nigeria. The study adopted a cross sectional survey method for social research. The unit of analysis was at organizational level. Population was drawn from twenty one deposit money banks in Port Harcourt, Nigeria. As a result of small population, a population of one hundred and five (105) unit heads of twenty -one deposit money banks in Port Harcourt was adopted as sample size. However, out of the one hundred and five (105) data was generated from eighty -three (83) respondents from the twenty -one deposit money banks in Port Harcourt, Nigeria. As a quantitative study, the primary data collection instrument for the study was the structured questionnaire. The test for the reliability of the instrument was carried out using the Cronbach alpha reliability instrument with a reliability threshold of 0.70. The data analyses were aided by SPSS version 23.0. To determine the strength and direction of the relationship between the study variables, we employed the inferential statistical analysis using Pearson's Product Moment correlation Co-efficient in testing all hypothetical statements in null form. Findings from the study revealed that Job rotation significantly impact on measures of Corporate Performance (responsiveness and quality service) . Based on the findings, it was concluded that there is a significant and positive relationship between Job rotation and Corporate Performance of deposit money banks in Port Harcourt, Nigeria. The study therefore, recommends that mmanagement of deposit money banks should undertake job rotation activities which will enable them to produces new ideas by improving the ability of a firm to generate and respond to change.

Keywords: Job rotation, Corporate Performance, Responsiveness and Quality Service

INTRODUCTION

Corporate performance is one of the most argued concepts about which there has never been a universally acceptable definition upon which the scholars agreed. There is no general agreement in the literature on the standards to be used in measuring the organizational performance (DeClerk 2008, Scott and Davis 2015). Due to the lack of any operational definition of corporate performance, there has been different explanations and opinions by various people according to their own perceptions (Ismail and Jenatabadi 2014, Jenatabadi 2013). In business and management research, corporate performance is recognized as a central outcome with variable of interest, ranging from human resources and marketing to operations management, International business, strategy and information systems (Hult, Ketchen, Griffith, Chaboroski, Hamman, Dykes & Cavusgil 2008, March and Sutton, 1981; Richard, Devinney, Yip, & Johnson, 2009). Corperate Performance according to Chen, Silverthorne, & Hung, (2006) is the "transformation of inputs into outputs for achieving certain results". With regard to its content, performance informs about the relation between minimal and effective cost (economy), between effective cost and realized output (efficiency) and between output and achieved the outcome (effectiveness)". The authors Lebans and Euske (2006) provide a set of definitions to illustrate the concept of corporate performance: performance is a set of financial and non-financial indicators which offer information on the degree of achievement of objectives and results (Lebans and Euske, 2006 after Kaplan and Norton, 1992)

Ostroff and Kozlowski (1992) show that job rotation enables information sharing and specialization and results in a more knowledgeable employee base and the produced result is that workers handle their task much better hence increasing work place productivity for the employees both individually and collectively. Job rotation gives employer the flexibility to regulate the needs of the client and to accomplish many different human resources objectives. Zeira (1974), posit that job rotation is an essential approach of supplementing employee's task commitment and job involvement and as well play an essential role in facilitating usual working of organizations thereby helping drive efficiency and effectiveness which finally leads to increased workplace productivity. Job rotation demand employees to move between different jobs usually at fixed times. Malinski (2002) considered job rotation as one of the many work place learning tools. Job rotation is also essential in the development of workers (Sonnenfeld and Peiperl,1988). This means that when job is effectively designed and executed, job rotation can result in advancement capacity of employees, hence resulting in increased task performance and productivity. Nisbat Ali (2014) studied the impact of job design on employee performance of fast moving consumer goods (FMCGs) sectors in Pakistan and the study indicate that there is a positive effect on employee performance of fast moving consumer goods in Pakistan. Against this backdrop, this study examined the relationship between job rotation and corporate performance of deposit money banks in Port Harcourt, Nigeria. Hence the objectives are as follows:

i To determine how job rotation relates with responsiveness of deposit money banks in Port Harcourt, Nigeria.

ii To determine how job rotation relates with quality services of deposit money banks in Port Harcourt, Nigeria.

The following research questions were asked to guide and provide focus to the study of the relationship between job rotation and corporate performance of deposit money banks in Port Harcourt, Nigeria. The questions present a framework within which the earlier stated purpose of the study can be achieved. They are as follows:

i. To what extent does job rotation relate with responsiveness of deposit money banks in Port Harcourt, Nigeria?
ii. To what extent does job rotation relate with quality service of deposit money banks in Port-Harcourt, Nigeria?

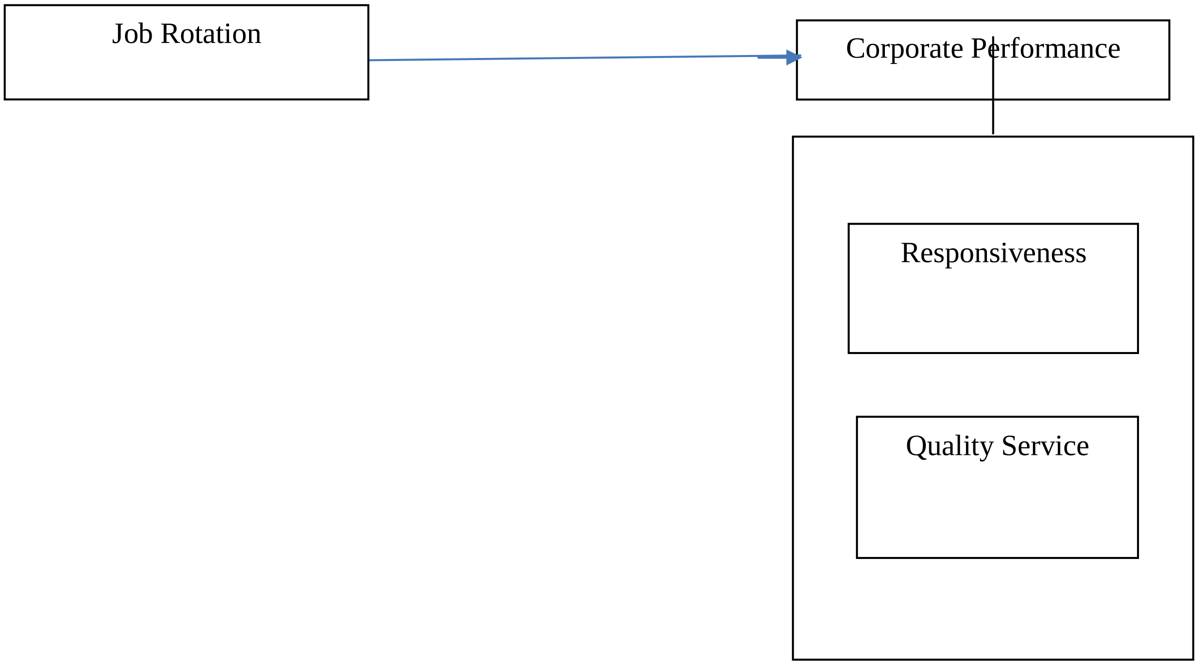

Fig. 1: Conceptual Framework
Source: Researchers' Conceptualization from Review of Literature

LITERATURE REVIEW

Job Rotation

Durai (2010), advanced that Job rotation is a system, which permit employees to switch from one job to another, in a predetermined way. Improvement of productivity, provision of training possibilities, increase of employees' retention, enhancement of employees' career are all benefits of job rotation , while at the same time the employee gains a better insight in the organisation's operations (Jorgensen, Davis, Kotowski, Aedla, & Dunning, 2005; Ali and Aroosiya, 2012). Job rotation is also essential in the development of workers (Sonnenfeld and Peiperl,1988). This means that when job is effectively designed and executed, job rotation can result in advancement capacity of employees, hence resulting in increased task performance and productivity. Ostroff and Kozlowski (1992) show that job rotation enables information sharing and specialization and results in a more knowledgeable employee base and the produced result is that workers handle their task much better hence increasing work place productivity for the employees both individually and collectively.

Corporate Performance

It is important to note that defining, conceptualizing and appraising performance have not been an easy task. In the appraisal of the organizational performance, performance could be viewed in a different way with regard to the persons concerned. The way people inside, the organization understand performance is usually different from those outside organization. However, taking a cue from the work of Shamar (2012), corporate performance is determined by the value of an organization workforce, the success of any organization is related to the quality of its employees both in manufacturing, service and retail outlook and oil and gas sector. The author further supported this assertion by advancing that organization human resources are essential resources that are used to increase productivity, earning capability, rising wealth and profitability, market value etc.

According to Aebawojo (2015), corporate performance could be classified into "human resource turnover; organizational output, value, customer contentment and manufacturing flexibility; and financial accounting category in terms of return on assets (ROA), return on equity (ROE), profits, sales, and employee value" etc. Gavrea, Ilies, & Stegerean (2011), advanced that the features corporate performance are thus: "performance is self-motivated, necessitates decision and explanation; corporate achievements may be illustrated by using an informal model that illustrates how current proceeding may influence prospective outcomes".

Responsiveness

Hough and White (2004), consider responsiveness as the outcome of the investigation, allotment and interpretation of information relating to their environment. This shows that, organizations learn to react positively to the information generated from activities that are going on in their environment in other to make use of the opportunities that come with it. This further permit the organization to create the abilities needed in solving the problems of client in a proactive behaviour.

According to Gibson and Birkinshaw (2004), responsiveness is theory that is considered in the theorization of ambidexterity. Organizational ambidexterity refers to organization's capacity to do the right thing in managing its business concerns and become regular to challenges of recognize changes in future. Homburg, Grozdanovic, & Klarmann, (2007), see culture and information as predecessors of responsiveness to customers and competitors. The authors further asserted that cultural characteristics have greatest impact on customer responsiveness while information has more significant impact on competitor's responsiveness. However, Grewal and Tnassuhaj (2009), defined responsiveness as organizational flexibility construct that generates the dynamic capacity which assist an organization to respond proactively to emerging opportunities in its market, and continuously adopt unpredictable nature of the environment.

Quality Service

In today's business environment, the quest to deliver quality excellence service to customers has become very essential due to its ability to create room for increased success and survival in the ever increasing competitive firms (Mandal and Bhattacharya, 2013). In the views of Gupta and Dev (2012), satisfied customers are good representatives and sales persons for both manufacturing and service sectorts since they have the grace to bring in more customers. They are capable of communicating the good business experience encountered to prospective clients (Nartech and Kuada, 2014). Hernandez (2010), see quality service as the level of how and approaches used by firm to satisfy the need of its customers. These include reasonable price, quality product, information clarity, business efficiency, timely response to enquiries and communication between service providers and clients. In this view, Adenirah (2011), posits that quality services have become a necessity for all kind of firms to ensure they gain and sustain competitive advantage. From the above illustration, it is important to note that for firms to entice and keep valuable customers, they should provide exceptional and valuable services and products that cannot be easily duplicated by their competitors.

Based on the review, the following Hypotheses were formulated:

Ho_1: There is no significant relationship between job rotation and responsiveness of deposit money banks in Port Harcourt, Nigeria.

Ho_2: There is no significant relationship between job rotation and quality service of deposit money banks in Port Harcourt, Nigeria.

METHODOLOGY

In this study, we adopted the cross sectional survey method, this involves a situation where the researcher obtained data once at a time from a sample selected to represent a larger population (Ahiauzu & Asawo, 2016). The population of this study was drawn from twenty-one (21) deposit money banks located geographically within Port Harcourt, Nigeria. The unit of analysis was organizational. Since the subject investigated was at the macro level of organization, the study focused attention on unit heads, supervisors, and any other staff that plays managerial roll. All those within these categories constituted the elements of our study population. As a result of small population, a population of one hundred and five staffs was adopted as sample size. Our interest focused on five (5) respondents in each of the twenty-one (21) deposit money banks in port Harcourt which includes; Head of operations, marketing team lead, customer service manager, cash officer, and fund transfer manager. Therefore, a population of one hundred and five (105) was adopted as sample size. Out of this one hundred and five samples, data was generated from eighty three respondents. Primary data collection instrument was the structured questionnaire. Descriptive statistics were used for the demographics and uni-variate analysis of the data produced. Field data were analyzed using Pearson's product *Moment correlation Co-efficient with the aid of Statistical Package for Social Sciences(SPSS).*

Table 1: Reliability Statistics for the instruments

Study variables	Cronbach's Alpha	Number of items
Job Rotation	0.706	3
Responsiveness	0.704	3
Quality of Service	0.781	3

Source: Research data output, 2019

DATA ANALYSIS AND RESULTS

Bivariate Analysis

In determining the statistical technique to suit our purpose, we considered Kothari (2004) who argued that when there exists association or correlation between two variables, correlation technique should be used and when there exists cause and effect relationship between two variables in the case of the bivariate population or between one variable on one side and two or more variables on the other side in case of multivariate population, partial correlation technique is appropriate. This was the basis for our choice of the Pearson Product Moment Correlation to test our hypothesized relationships in our study.

Relationship between Job Rotation and Corporate Performance

Table 1 Correlations the relationship between Job Rotation and Corporate Performance

		Job Rotation	Responsivenes s	Quality Service
Job Rotation	Pearson Correlation	1	.832**	.737**
	Sig. (2-tailed)		.000	.000
	N	83	83	83
Responsiveness	Pearson Correlation	.832**	1	.822**
	Sig. (2-tailed)	.000		.000
	N	83	83	83
Quality Service	Pearson Correlation	.737**	.822**	1
	Sig. (2-tailed)	.000	.000	
	N	83	83	83

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

Source: Research Data 2019 and SPSS output version 23.0

Table 1: illustrates the test for the two previously postulated bivariate hypothetical statements.

The result reveals that job rotation strongly correlates with responsiveness and quality service (r= 0.832, 0.737, p=0.000<0.05). The correlation coefficient represents a high correlation indicating a strong relationship. Therefore, based on empirical findings the two null hypothesis earlier stated are hereby rejected and the alternate upheld. Thus, there is a significant relationship between job rotation and measures of corporate performance (responsiveness and quality service) of deposit money banks in Port Harcourt, Nigeria.

DISCUSSION OF FINDINGS

Thee test of the hypotheses examining the relationship between job rotation and corporate performance and measures of corporate performance (responsiveness and quality service) depicts that a very strong and positive relationship exist between job rotation and each of the measures of corporate performance of deposit money banks in Port Harcourt, Nigeria. The positive large value of (0.832) and (0.737) shows the strength of the relationship between the variables. This finding agrees with previous various studies of Ortega (2001) who argued that job rotation truly can promote organizational learning better than specialization in position where there is little information about the respective import of different job task. With the benefits that accrue from organizational learning, job rotation is an important aspect of job design. Job rotation is also essential in the development of workers (Sonnenfeld and Peiperl,1988).

This means that when job is effectively designed and executed, job rotation can result in advancement capacity of employees, hence resulting in increased task performance and productivity. Ostroff and Kozlowski (1992) show that job rotation enables information sharing and specialization and results in a more knowledgeable employee base and the produced result is that workers handle their task much better hence increasing work place productivity for the employees both individually and collectively. Zeira (1974) argues that job rotation is an important technique of augmenting employee's task commitment and job involvement and as such plays an important role in facilitating normal functioning of organizations thereby helping to drive efficiency and effectiveness, which ultimately leads to enhanced workplace productivity. Job rotation demand employees to move between different jobs usually at fixed times. One of the many work place learning tools is job rotation (Malinski, 2002). It is agreed that job rotations happen among employees that have the same level of responsibility in an organization for a specified period of time (Earney and Martins, 2009). When jobs are rotated effectively among organizations workforce it leads to increased learning ability, professionalism, competent development, satisfaction, increased commitment and productivity which robs off on organizational performance.

CONCLUSION & RECOMMENDATION

The study concluded that job rotation is a significant predictor of corporate performance in the sampled deposit money banks in Port Harcourt. As such, job rotation significantly enhances corporate performance measures such as responsiveness and quality service.

The study recommended that mmanagement of deposit money banks should undertake job rotation activities which will enable them to produces new ideas by improving the ability of a firm to generate and respond to change.

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