

## Human Resources Management Practice and Behavioural Intention on Internet Free Banking in Nigerian Deposit Money Banks

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**ABSTRACT:** *The study looked at the impact of human resource management techniques on clients' willingness to sign up for free internet banking at Nigerian Deposit Money Bank. The study was conducted using a descriptive survey research approach. The study population is made up of employees from various Deposit Money locations. The sample size was 167 people, chosen using a census sampling technique. The study's primary data was acquired through a standardised questionnaire. The collected data was evaluated using a regression model. The findings revealed that recruitment has a positive impact on client behavioural intention; that performance appraisal has a positive impact on client behavioural intention; and that employee participation has a positive impact on client behavioural intention. As a result, it was concluded that human resources management practices have a positive impact on client behavioural intention, based on which the recommendation was made.*

**KEYWORDS:** human resources management, recruitment, performance appraisal, employee participation, consumer behavioural intention

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### INTRODUCTION

According to Kaya, Ergun, and Kesen, one of the most important components of a firm is human resources (2014). Effective human resource management paves the road for an organization's goals to be realised and, eventually, its success (Cascio, 2006). Organizations should also make effective and efficient use of these resources in order to obtain a competitive advantage (Chan, Shaffer, & Snape, 2004). According to Lado and Wilson (1994), a human resource system is a set of activities, functions, and procedures intended at attracting, developing, and keeping (or disposing of) a company's human resources.

Recruitment, training and development, appraisal, employee engagement, rewards, career management competences management, enhancing working conditions, communication, and negotiation are just a few of the human resources management practices that are commonly employed in today's businesses. Numerous studies have found a connection between these human resource management strategies and organisational performance. While these practices may be considered competitiveness aspects for enterprises and organisations, the academic community is far from agreeing on the mechanism by which this competitiveness is generated, as well as the measurement of each practice or a group of practices' contribution (Allani, Arcand & Bayad, 2003).

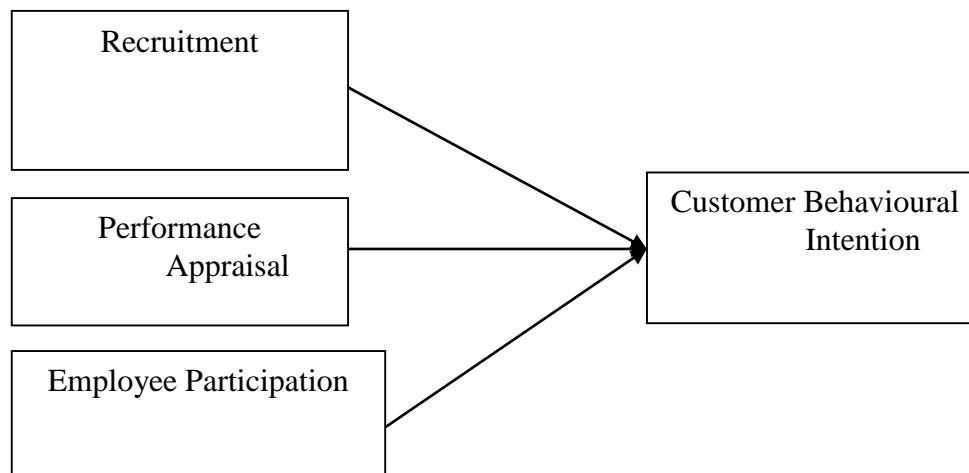
Human Resources (HR) has become widely regarded in recent years as a source of long-term competitive advantage and success, given that HR policies and practices are integrated with and/or developed from broader organisational objectives and goals (Al-Tarawneh, 2016). Human Resources Management emphasises the importance of integrating human resource management policies and strategies with the overall organisation plan. Human resources management, on the other hand, has been tasked with proving the value of its tasks by demonstrating their impact on an organization's profit, cost reduction, and enhanced added value in strategy and customer satisfaction components (Alterwneh, 2016).

Human resource management is responsible for managing, mobilising, and directing people toward a common purpose. The primary goal is to motivate individuals to work, to value them, and to allow them to open up. The second goal is to achieve corporate goals such as value generation and long-term competitive advantage. In the sense, this second objective allows businesses to set themselves apart from their competition. We can now talk about strategic human resource management since this is a cross-function that has taken on a strategic dimension. When human resource management is linked to strategic business objectives, it is called strategic human resource management. As a result, proactive human resource management boosts productivity while also encouraging innovation and flexibility (Hamid, 2013).

Human resource management is essentially a linen activity, but line managers are more concerned with materials and financial resources than with human resources since they are operating managers. They do not consider employees to be valuable assets or to be crucial to a company's success in recent years. Human resources are critical to an organization's success. Yet, far too frequently, companies overlook the importance of the people variable (the organization's most valuable asset) to its success. Because they took their human resources for granted, many businesses and managers have failed. Furthermore, many of the ill-defined organisational problems that are labelled as "tough-to-solve" human resource issues that organisations face might be resolved with proper human resource planning. In today's chaotic business world, effective human resource planning in the areas of employee recruitment, retention, utilisation, enhancement of staff performance, and disengagement is a must.

Despite the fact that many firms are still struggling to achieve high levels of performance, many have failed to recognise the link between human resources management and employee performance (Arubayi, Eromafuru & Egbule, 2020). Lack of adequate incentives, such as salary or wages, was once attributed to a lack of training and development; however, lack of training and development, career development, ineffective recruitment and selection processes, ignoring employee participation, and poor organisational development now all contribute to the problem. When a result, as employees' abilities improved, their ability to recognise, absorb, and apply new external knowledge grew. As a result, managers in many industries must be aware of the factors that influence employee performance (Arubayi, Eromafuru & Egbule, 2020). However, many studies on this topic have been undertaken, such as Kaya, Ergun, and Kesen (2014), with favourable and substantial results in their varied locations, and that most of the methodology used in prior studies was defective, while some are qualitative based research. Their study was reproduced in Nigerian Deposit Money Banks based on this premise to assess the potential link between human resource management practices and behavioural consumer intention. Three hypotheses were developed in order to answer these important research problems.

### Conceptual Framework



### Relationship between human Resources Practice and Customer Behavioural Intention

Source: Author's Conceptualisation (2023)

### METHODOLOGY

A descriptive survey design was used in this investigation. This is the kind of study where the explanatory variables can't be changed. Because of the nature of the explanatory factors in this investigation, this method was used. The population refers to the entire group that the researcher desires to investigate. The study's participants are the complete workforce of Access Bank, First

Bank, and Guarantee Trust Bank. All faculties and departments are represented on the team. As a result, according to the human resources management of each bank, the study population is one hundred and sixty-seven (167) employees.

### **Method of Data Analysis**

Both descriptive and inferential statistics were used to meet the study's aims and assess the hypotheses formulated. The descriptive statistics used were percentages and frequency tables, whereas the inferential statistics used were regression and the F-statistic to achieve the specified aims.

As a result, the regression line is as follows:

$$Y = b_0 + b_1x_1 + b_2x_2 + b_3x_3 + U_i$$

$$Y = F'(X)$$

Y = (Client Behavioural intentions) Dependent variable

X = (Human Resources Management Practices) Independent variable

$$Y = F'(\text{Ras, Pap, Ept})$$

Where:

Ras = Recruitment and Selection

Pap = Performance Appraisal

Ept = Employee Participation

B<sub>0</sub> = Intercept/ Constant

U<sub>i</sub> = Error Term

## **RESULTS**

### **Hypothesis One**

*Recruitment and selection has no significant effect on the client behavioural intention to subscribe to Internet free Banking in Nigeria Money Deposit Bank.*

### **Co-efficient of Multiple Determinants**

Table 1.1 shows a positive correlation coefficient of 0.381 between client behavioural intention and the explanatory variable on recruitment and selection, indicating a moderate relationship between recruitment and selection and client behavioural intention, implying that the explanatory variable has a positive effect on client behavioural intention.

The co-efficient of multiple determinant (R<sup>2</sup>) of 0.145 indicates that the explanatory variable can explain 14.5 percent of the behaviour of client behavioural intention, while the stochastic variable or other variables that were not included can explain the remaining 85.5 percent. The modified R<sup>2</sup> matches the conclusion of the R<sup>2</sup> with a co-efficient of 0.140, indicating that the explanatory

factors explain 14 percent of the client's behavioural intention after adjustment, while the error term explains the remaining 86 percent.

**Table 1.1 Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Change Statistics			Sig
						R Change	Square Change	F Change	
1	.381 <sup>a</sup>	.145	.140		1.08492	.145		26.783	.000

**Source:** Author's field survey 2023

The ordinal least square regression result using SPSS 20.0 software is summarised in table 1.2. The value of the constant parameter is reported as 3.219, while recruitment and selection are given as 0.306 in the table. Client behavioural intention is constant at 3.219 in the regression result above; this means that if the explanatory variable is kept constant, client behavioural intention will increase by 3.219 percent.

The recruitment and selection co-efficients are 0.306 and 0.306, respectively, indicating that recruitment and selection are positively related to client behavioural intention, implying that an increase in recruitment and selection will result in a 30.6 percent increase in client behavioural intention at the 0.05 level of significance.

Therefore, the regression line is stated below:

$$Y = 3.219 + 0.306x_1$$

**Table 1.2 Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.219	.239		13.454	.000
	Recruitment and Selection	.306	.059	.381	5.175	.000

**Source:** Author's field survey 2023

**DECISION RULE:**

Accept H<sub>0</sub> and reject H<sub>1</sub> if F<sub>cal</sub> is smaller than F<sub>tab</sub>.

F-cal is 26.783 and F-tab is 1.740.

As a result, we agree with the alternative hypothesis. As a result, client recruitment and selection have a substantial impact on their behavioural intentions.

**Table 1.3 ANOVA<sup>a</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	31.525	1	31.525	26.783	.000 <sup>b</sup>
Residual	185.975	158	1.177		
Total	217.500	159			

Source: Author's field survey 2023

## Hypothesis Two

*Performance appraisal has no significant effect on the client behavioural intention to subscribe to Internet free Banking in Nigeria Money Deposit Bank.*

### Co-efficient of Multiple Determinants

Table 1.4 shows a positive correlation co-efficient of 0.479 between client behavioural intention and the explanatory variable on performance appraisal, indicating a moderate relationship between performance appraisal and client behavioural intention, implying that the explanatory variable has a positive effect on client behavioural intention. The co-efficient of multiple determinant (R<sup>2</sup>) of 0.230 indicates that the explanatory variable may explain 23% of the behaviour of client behavioural intention, with the rest 77% explained by the stochastic variable or other variables that were not taken into account. The modified R<sup>2</sup> with a co-efficient of 0.225 verifies the conclusion of the R<sup>2</sup>, indicating that the explanatory factors explain 22.5 percent of the client's behavioural intention after adjustment, while the error term explains the remaining 77.5 percent.

**Table 1.4 Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Change Statistics		Sig
						R Square Change	F Change	
1	.479 <sup>a</sup>	.230	.225		1.49746	.230	47.137	.000

Source: Author's field survey 2023

The ordinal least square regression result using SPSS 20.0 software is summarised in table 1.5. The value of the constant parameter is 6.417, and the value of the performance appraisal is 0.798, according to the table. Client behavioural intention is constant at 6.417 in the regression result above; this means that if the explanatory variable is kept constant, client behavioural intention will increase by 6.417 percent. The performance appraisal co-efficient is 0.798, indicating that performance appraisal is positively associated to client behavioural intention and thus predicts that an increase in performance appraisal will result in a 79.8% rise in client behavioural intention at the 0.05 level of significance.

Therefore, the regression line is stated below:

$$Y = 6.417 + 0.798x_1$$

**Table 1.5** **Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	6.417	.441		14.550	.000
Performance Appraisal	.798	.116	.479	6.866	.000

**Source:** Author's field survey 2023

### Decision Rule:

Accept H<sub>0</sub> and reject H<sub>1</sub> if F<sub>cal</sub> is smaller than F<sub>tab</sub>.

F<sub>cal</sub> is 47.137, and F<sub>tab</sub> is 1.740.

As a result, we agree with the alternative hypothesis. As a result, customer behaviour intention is influenced by performance appraisal.

**Table 1.6** **ANOVA<sup>a</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	105.701	1	105.701	47.137	.000 <sup>b</sup>
Residual	354.299	158	2.242		
Total	460.000	159			

**Source:** Author's field survey 2023

### Hypothesis Three

*Employee participation has no significant effect on client behavioural intention to subscribe to Internet free Banking in Nigeria Money Deposit Bank.*

### Co-efficient of Multiple Determinants

Table 1.7 shows a positive correlation co-efficient of 0.356 between client behavioural intention and the explanatory variable on employee participation, indicating a moderate relationship between employee participation and client behavioural intention, implying that the explanatory variable has a positive effect on client behavioural intention.

The co-efficient of multiple determinant (R<sup>2</sup>) of 0.127 indicates that the explanatory variable can explain 12.7 percent of the behaviour of client behavioural intention, while the stochastic variable or other variables that were not included can explain the remaining 87.3 percent. The modified R<sup>2</sup> matches the conclusion of the R<sup>2</sup> with a co-efficient of 0.121, indicating that the explanatory factors explain 12.1 percent of the client's behavioural intention after adjustment, while the error term explains the remaining 87.9%.

**Table 1.7 Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Change Statistics		Sig
						R Square Change	F Change	
1	.356 <sup>a</sup>	.127	.121		1.17546	.127	22.935	.000

**Source:** Author's field survey 2023

The ordinal least square regression result using SPSS 20.0 software is summarised in table 1.8. It can be determined from the table that the value of the constant parameter is 2.507, and employee participation is 0.423. Client behavioural intention is constant at 2.507 in the regression result above; this means that if the explanatory variable is kept constant, client behavioural intention will increase by 2.507 percent. The co-efficient of employee participation is 0.423, indicating that employee participation is positively related to client behavioural intention, implying that an increase in p employee participation will result in a 42.3 percent increase in client behavioural intention at the 0.05 level of significance.

Therefore, the regression line is stated below:

$$Y = 2.507 + 0.423x_1$$

**Table 1.8 Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.507	.376		6.674	2.507
	Employee Participation	.423	.088	.356	4.789	.423

**Source:** Author's field survey 2023

**DECISION RULE:**

Accept H<sub>0</sub> and reject H<sub>1</sub> if F<sub>cal</sub> is smaller than F<sub>tab</sub>.

F-cal is 22.935, and F-tab is 1.740.

As a result, we agree with the alternative hypothesis. As a result, employee involvement has a major impact on customer behaviour intentions.

**Table 1.9 ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	31.690	1	31.690	22.935	.000 <sup>b</sup>
	Residual	218.310	158	1.382		
	Total	250.000	159			

**Source:** Author's field survey 2023



## **DISCUSSION OF FINDINGS**

It is clearly found that only recruitment and selection has positive value thus implied that it is significant and that recruitment and selection is positive. The overall result of the hypothesis is positive which implied that alternate hypothesis was accepted and null hypothesis was rejected. Furthermore, performance appraisal has significant effect on client behavioural intention. However, at the 0.05 level of significance, it was proven that the variable is positively associated to customer behavioural intention, implying that the alternate hypothesis was accepted and the null hypothesis was rejected.

The second hypothesis which is employee participation has significant effect on client behavioural intention. However, it was shown that the variables is positively related to client behavioural intention all at 0.05 level of significance thus implied that alternate hypothesis was accepted and The null hypothesis was not accepted. which the findings is related to the work of Ekwoaba, Ikeije and Ufoma (2015), that human resources variables employed by these scholars have significant effect on performance in their various countries.

## **CONCLUSIONS**

The effect of human resource management on client behavioural intention to subscribe to Internet free banking in Nigeria Money Deposit Bank was investigated in this study. From the obtained results of inferential statistics indicated that the entire human resources management practice attribute (recruitment and selection, performance appraisal, employee participation) measured have Positive and significant effect on client behavioural intention at 0.05 level of significance. However, performance appraisal has the highest significant value in which the recruitment and selection, performance appraisal and employee participation hypotheses have moderate significant value on client behavioural intention. Furthermore, it was found that alternate hypotheses were accepted and the null hypotheses were rejected thus implied that human resources management practice is positively related to client behavioural intention.

## **Recommendations**

The following recommendations were made based on the findings:

- i. Based on the findings, the study advises that bank management create recruitment and selection criteria that are of high quality. This is especially true because the correct kind of labour is hard to come by.
- ii. Management should evaluate all aspects of an effective system in order to meet the objectives for which it was created. The approach should also be used to assess which employees need to be coached and to prepare them for deployment and new assignments. Management needs to clarify the performance criteria used to employees.

The performance criteria need to be explained to the employees so that they are aware of what is expected by the management.

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