

EFFECTS OF JOB ROTATION ON EMPLOYEES' PERFORMANCE IN NIGERIAN BANKS

Oluwatuase, Taiwo

Ekiti State University, Ado Ekiti, Faculty of Management Sciences,
Department of Business Administration, Nigeria

Enitilo, Olalekan 

Ekiti State University, Ado Ekiti, Faculty of Management Sciences,
Department of Business Administration, Nigeria
enitiloolalekan@gmail.com

Ogunjobi, Emmanuel Abiodun

Federal Polytechnic Mubi, School of Business and Technology,
Department of Accountancy, Mubi Adamawa State, Nigeria

Abstract

The study examined the effect of job rotation on employees' performance in Nigeria with reference to Skye Bank Nigeria Plc. The specific objectives were targeted towards assessing the effect of job rotation on employees' performance. The population for the study was 3,011 employees of Skye bank Nigeria Plc., in Southwest, Nigeria as indicated in the annual report of the bank as at 2015. Multi-stage sampling technique was used. Logit regression analysis was adopted to analyse the objective. The results showed that job rotation has significant effect on performance through employee improvement and versatility ($\beta = 0.801$, $t = 2.25$, $p < 0.05$) and on the job. The study concluded that rotating employee on the job will make him improved his ability on the job, making him versatile with attendant effect on performance.

Keywords: Job rotation, employees' performance, employee improvement, versatility

INTRODUCTION

Technological inventions, globalization, and advancement among others are beginning to make the world of jobs experience dramatic change (Lamprecht, 2002; Rodriguez & De Pablos, 2002). This has therefore called for the need why organizations should begin to sharpen their competencies for improved performance and productivity. In management literature, behavioural and sociological approach has been identified as one of the streams of research on the determinant of firm performance because it sees organizational factors as major determinants of success. Therefore in order to succeed, continuous performance must be the focus of any organization because only through performance organizations are able to grow and progress.

Authors have agreed that when conceptualizing performance one has to differentiate between an action (i.e. behavioral) aspect and an outcome aspect of performance (Campbell, 1990; Kanfer, 1990; Campbell, McCloy, Oppler, & Sager 1993; Roe, 1999). The behavioral aspect refers to what an individual does in the work situation.

Organizational performance is a function of how well its employees are effective. The performance of an employee is that, how well an employee performs his or her task duties and responsibilities.

Scholars have long recognized that employee tendency to increase job efficiency and performance depend heavily on how he or she perceives his jobs (Herzberg, Mausner, Synderman, 1959; Turner & Lawrence, 1965). Thus, the effectiveness of human resources is a function on the ability to designing the jobs based on human capability and characteristics (Rehman, 2009). Jobs are the foundation of organizational productivity and employee satisfaction. How well are job designed would reflect a vital position in the accomplishments and even survival of many organizations. Job design has been one of the most effective tools used for optimizing an employee's performance (Razzaq & Mujtaba, 2009) and overall organizational productivity. Effective Job design is a measure of the degree to which the employee is involved in his tasks and assignments.

It is believed that now-a-days most of the employees are not happy with their job design or not assigned with the tasks that they feel encouraged and motivated to perform. An effective job design brings involvement of an employee in work related activities which clearly forecasts employee output, departmental productivity and organizational success (Bates, 2004; Harter, 2002; Baumruk, 2004). Since, it is predicted that job satisfaction and productivity will be highest when redesigning work systems (Chung & Ross, 1977), therefore this study propose that job design will have effects on employee performance.

Effective organizational functioning depends on its human resources. Most managers realized that the effectiveness of their human resource functions has a substantial impact on the bottom-line performance (Griffin, 2000). In this regard, organization has to engage in some kind of task accomplishment in order to achieve performance. Task to be performed must be grouped into jobs and activities so that employees know what and how of their expectations are job design is that the effort to divide tasks and activities.

Studies dated back to 1975 till this moment were centered on relationship between job design and workers motivation, satisfaction and performance (Hackman, & Oldham, 1975; Loher, Noe, Moeller & Fitzgerald, 1985; Griffin 1989; Renn& Vandenberg, 1995; Sokoya, 2000; Bassey 2002; Love & Edwards, 2005). However, how it will impact employees' performance in the banking sector remained underexplored. Therefore, this study seeks to evaluate the effectiveness of job rotation on employees' performance in the banking sector.

Significance of the Study

This research work is borne out of the fact that many works have been carried out on employees performance which were carried out outside the shore of the scope of this study the without traceable elements of job design in the Nigerian employees. This information of job rotation will contribute to knowledge of the researchers as well as provide much needed information to the human resource managers. The outcomes of this study would be useful to the management of the Nigerian banks as they search for ways to increase employees' performance and maximizing job satisfaction.

LITERATURE REVIEW

Job Rotation and Employees' Performance

This approach has been widely used in large firms. Meyer (1994) identified job rotation as learning role in firms as employees get a chance to accomplish various task and changing roles. Job rotation is also identified as an applied approach and aggrandizes job related tasks. That is the reason job rotation is planned in the job training phase because it proves helpful while transferring employees from one job to another in order to learn more and increase their knowledge by doing various jobs. As a result efficiency of employees increase and it positively impacts the performance of employees.

Job rotation refers to moving employees from job to job to add variety and reduce boredom by allowing them to perform a variety of tasks. As traditionally used, job rotation is low in both impact and complexity because it typically moves employees from one routine job to another. If all the tasks are similar and routine, job rotation may not have the desired effect of

improving employee effectiveness and job satisfaction. However, job rotation may be of significant benefit if it is part of a larger redesign effort and/or it is used as a training and development approach to develop various employee competencies and prepare employees for advancement (Cheraskin *et al.*, 1996).

RESEARCH METHOD

The study will adopt a survey research design. Primary data were used for the study and were gathered through the administration of well-structured questionnaire adopted from the work of (Rezeizadeh, 2015).

The population for the study was 3,011 employees of Skye bank Nigeria Plc., in Southwest, Nigeria as indicated in the annual report of the bank as at 2015. Multi-stage sampling technique was used. This brings the sample size to 262.

Primary data were used for this study. Data were collected with the aid of structured questionnaire. The method by which the questionnaire were administered to the employees and management of the bank who provided information on employees' performance indices in relation to job rotation of the firm while the completed questionnaire returned were collected.

Data was analysed using appropriate descriptive and inferential statistics. The descriptive statistics included frequency tables while inferential statistics such as logit regression was used to examine the effect of job rotation on employee performance.

RESULTS AND DISCUSSION

Socio Economic Characteristics of Respondents

Socio- economic characteristics are important human attributes that could enhance performance of employees in an organization. The socio-economic characteristics considered in this study include age, sex, marital status, educational level, and income distributions of respondents.

Age distribution of respondents

The age distribution of respondents is presented in Table 1. The distribution of respondents showed that 30.2% of respondents were in the age bracket of 16 and 25 years; 28.1% were in the range of 26 and 35 years of age; 18.2% were in the range of 36 and 45 years while 19.6% were in the range of 46 and 55 years of age. The results indicate that 65.9% of the respondents were in the active age bracket of 26 and 55 years of age which implies that they are still agile and active in the service.

Table 1: Age distribution of respondents

Age distribution	Frequency	Percentages
16-25	85	30.2
26-35	79	28.1
36-45	51	18.2
46-55	55	19.6
56 and above	11	3.9
Total	281	100.0

Sex of Respondents

Most (61.5%) of the respondents were male while 38.5% were female. This suggests that most employees in banking sector in the study area were male dominated, suggesting bias in job design in the sector.

Marital Status of Respondents

Over 50% of the respondents were married; 35.2% were single while equal percentage (6.4%) of the sample were widowed and divorced, respectively (Table 2). This implies that the married are more than others and indicated that they all know the implication of not been complying with the organization's laying down law and principles.

Table 2: Marital Status of Respondents

Marital Status	Frequency	Percentage
Single	99	35.2
Married	146	52.0
Widowed	18	6.4
Divorced	18	6.4

Educational Status of Respondents

Majority (76.2%) of respondents were graduates. This suggests that the respondents possessed ability to provide useful information on job design and performance in the banking sector. Very low percentage (1.4%) of respondents held NCE/OND certificates. Also, low percentage (6.0%) of respondents held postgraduate certificate in the banking sector in the study area.

Table 3: Educational Status of Respondents

Educational Status	Frequency	Percentage
O' level	4	1.4
NCE/OND	46	16.4
HND/B.SC	214	76.2
Postgraduate	17	6.0

Income Distribution of Respondents

Majority (72.3%) of the respondents were in the income bracket of N10, 000.00 and N100, 000.00. Specifically, 52.1% of respondents were in the income bracket of N10, 000 and N50, 000; 20.2% were in the income range of N50, 000 and N100, 000. Very low percentages (8.9%) of the respondents were in the income bracket of N100, 000.00 and above. The result suggests that most of the sample earn relatively low income in the banking sector.

Estimated effects of Job Rotation on Employees' Performance

Estimated logit regression results on job rotation on employees' performance in Nigerian banks are presented in Table 3. Diagnostics of the model such as Likelihood ratio and Log likelihood were high and significant ($P < 0.05$) suggesting the fit of the model. The results showed that job rotation have significant effect on performance through employee improvement ($\beta = 0.690$, $t = 2.25$, $p < 0.05$) and versatility ($\beta = 0.801$, $t = 2.25$, $p < 0.05$) on the job (Table 3). Higher rate of rotation is expected to boost employee level of job improvement and improved ability in job versatility with attendant effect on performance. The results highlight the relevance of job rotation in boosting employees' performance. The finding is in line with the work of Hackman *et al.*, (1975) showed that people on enriched jobs are more motivated and satisfied by the jobs as compared to those whose jobs are not enriched.

Table 3: Effect of job rotation on employees' performance in Nigerian banks

N = 278	Coeff.	Std. Error	t-value	P-value
Employee improvement	0.690	0.306	2.25**	0.024
Versatility	0.801	0.237	3.38**	0.001
Employee performance	-0.109	0.284	-0.38	0.701
Smooth job transition	-0.175	.265	-0.66	0.508
Constant	-2.721	1.471	-1.85*	0.064

LR chi2 (5) =18.38; Prob> chi2 = 0.0025
Log likelihood = -92.098158

***, **, * significant at 1%, 5% and 10% respectively

CONCLUSION

Based on this findings, it is conclusion that higher rate of rotation is expected to boost employee level of job improvement and improved ability in job versatility with attendant effect on performance and job rotation is a best and cheap training method and it can be followed by any organization to provide their employees a better life by making them to work in various tasks and gain more knowledge and make them efficient in handling issues in the organization which leads a successful career of banking sector. Since the study was limited to Skye bank Plc in Southwest Nigeria, a similar study may be carried out in the Public own parastatal. The study may also be done on private owned Universities or public owned Universities in Southwest, Nigeria and the results may be compared.

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