

Occupational Mobility among Sales Employees in the Nigerian Banking Industry: Issues and Determinants

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ABSTRACT

This study examined factors determining occupational mobility of marketing staff in the Nigerian banking industry. Using Pearson product moment correlation analysis and information obtained from a cross section of bank marketers, it is evident that perceived injustices in employment contract, transfers, promotional policies, job insecurity, unrealistic deposit mobilization target and welfare packages significantly influenced occupational mobility of marketing employees. These findings are a consolidation of earlier studies which provide an important insight and signals to Nigerian bank to achieve better performance and more importantly to compete favourably in keeping and retaining their highly valued sales employees. Based on this, we recommend among others that bank management should refocus their strategies on how best to create a favourable work climate for best talents to thrive. Future research agenda is also highlighted.

Keywords: *Occupational Mobility, Social Injustice, Emerging Issues, and Determinants.*

What are the Emerging Issues?

Occupational mobility indicates the movement of people across jobs and across industries, but they do not tell us why these movements occur in the first instance. While in some cases, management might value occupational mobility because of cross fertilization of ideas, in other cases occupational mobility among employees may be viewed as a signal or surrogate indicator of the level of displeasure or dissatisfaction that is not directly appreciable among organizational members. A typical example is the movement of a marketing staff from one bank to another or from a bank to another occupation outside the banking industry which has brought along with it, series of challenges, such as loss of highly skilled and valued employee, coupled with increasing cost of replacement need.

This calls for periodic review and restructuring of the imbalances in the employment contract. To achieve this feat, investigating why marketing staff migrate from one occupational job to another becomes indispensable, especially as it facilitates retention of appropriately skilled sales employees in meeting the challenges of a developmental organization (Gillingham, 2008; Hendricks, 2006).

Strategizing to keep highly valued sales employees would imply keeping them actively happy to work for the organization through good administrative machinery built on an understanding of employees needs and satisfaction drives. Thus, keeping these employees is not only a cost effective measure but it seems imperative in fostering satisfaction within the organization, especially in view of the fact that these highly valued employees are increasingly becoming aware that they are in high demand, even at a higher cost.

Undoubtedly, Nigerian banks are among the many organizations that have experienced dramatic occupational mobility among its sales employees in recent times, partly due to increased awareness in employment opportunities available elsewhere coupled with security and stability of income that is rarely found in the banking industry (Ibok 2012). Therefore, faced with this apparent and challenging trend in this industry calls for re-strategizing, not only to deal with constant occupational mobility but also to add more value to the contributions of sales employees in the growth of the banking industry in Nigeria which is in stiff competition.

The above scenario suggests that there are certain social injustices inherent in the employment contract of sales employees. These injustices create some imbalances which are inimical to best practices and thus disaffection. Scholars such as Adams (1965) and Katherine, (2001) had since recognized some of these injustices and cautioned against unfair practices in the work setting. Accordingly, this study is aimed at investigating those factors inherent in the employment contract that may affect sales employees continued membership in the

organization. Thus, emphasis will be laid on their perception of the existing employment contract. In order to achieve this objective, would require addressing one pertinent question of interest to this study, which is what are the causes of occupational mobility among sales employees in the Nigerian banking industry? In order words, what factors influenced occupational mobility among sales employees in the banking industry? Against this backdrop, the overall proposition of this study is that:

H₁: The higher the level of perceived injustices in employment contract the higher the level of occupational mobility among sales employees.

(b) What are the determinants?

Good employment practices and conditions of employment have been found to enhance employee perceived value of his job and organization (Bevam, Barber and Robinson, 1997; Boxall and Purcell, 2003). Given that certain practices and conditions in the employment contract can affect employees' perception and relationship with the organization, it is pertinent to have a review of some of these practices as it affects the employment of highly skilled sales employees in the Nigerian banking industry.

(i) Relationship between transfer practices and occupational mobility.

Flexibility and redeployment of sales employees in response to changing organizational needs is a usual feature of many banks (Ibok 2012; Brown, 2003 and Ben, 2013). Management sometimes handles transfers in a clumsy manner in a way that it can create acrimony and thus affect the climate of employee relationship. In many cases, management is not aware of the fears of those affected by the transfer nor does anything to alleviate them as much as possible. Accordingly, Brown (2003) and Capelli (2000) maintains that transfer policies should establish among others the circumstances that employees can be transferred and the conditions necessary to cushion the effect of the transfer such as pay, resettlement allowance, allowance for inconveniences and retraining especially if such transfers are made at the convenience of the employee. More often than not, management in Nigerian banks are always not prone nor susceptible to the yearnings of her employees. This situation normally breeds dissatisfaction and disaffection among organizational members. Hence, Ramfall (2003) observed that frequent job transfers can boost suspicion and increase mobility of staff. Furthermore, whitehead (1998), remarked that organizations must be careful when handling transfers and concluded particularly that transfers made as a result of punishing a staff member has the tendency of impairing good working relationship and attributed workers disloyalty and consequent exit to work-load, poor working conditions, role ambiguity and conflict situation, which they noted that if properly managed can bring about a total happy employee. Based on this, the following proposition can be made.

H₂: The higher the level of transfers experienced by sales employees in the bank, the higher the rate of occupational mobility.

(ii) Relationship between promotional practices and occupational mobility.

Promotional policies should be targeted at:

- Enabling management to obtain the best available talented sales employee within the company to fill more senior position in the organization
- Providing employees with the opportunity to advance their careers within the bank.

In the Nigerian banking industry, there are frequent promotional moves within the various strata. But Guest and Conway, (2000) observed that promotional policies that is not known to both management and employees is bound to cause dissatisfaction among organizational members. Accordingly, Schalk and Rousseau, (2001) condemns the practice of promoting staff to positions of incompetency because of his or her ability to meet target deposit mobilization drive such as being practiced in the banks and maintains that while promotion is necessary in the organization, it must be done in such a way that it motivates the staff members rather than creating an atmosphere of social disharmony and warns that promotion of staff members should always be seen to be fair, just and equitable. Therefore, judging from the above, we propose that:

H₃: The higher the level of sales employees' dissatisfaction with promotional practices in the bank, the higher their level of occupational mobility.

(iii) Relationship between job security and occupational mobility.

Numerous studies support the idea that there exist a relationship between job security and occupational mobility. (See for example; Murlin and Watson, 2001; and Thompson, 2002). Also empirical studies

by Ramkin (2002) and Ibok (2012) point towards a significant relationship between job security and stability of employment in general. An employee who is sure of his job stability and security of income is likely to remain in the organization than those whose job security is often in doubt. Thus, sales employees who are concerned about their job security and knows that his or her job is reasonably secured tend to be loyal (Walton, 1985; Youndt, 2000); more productive (Whitehead 1998) and less sensitive to searching for new jobs (Youndt, 2000) and would pay less attention to other job opportunities. Therefore, Wenger and Snyder (2000) noted that job security influenced retention and that secured employees are likely to be happy, more productive and more loyal to his employment than when they know that their employment cannot be guaranteed. Consequent upon the above assertion, we propose that:

H₄: The higher the level of job insecurity, the higher the rate of occupational mobility among sales employees.

(iv) Relationship between target deposit mobilization and occupational mobility.

Existing literature (Purcell, Kinnie, Hutchinson and Rayton, 2003; Murlis and Watson, 2003) highlight reasons for employees occupational mobility and high turnover rate to include unrealistic sales target. Target mobilization itself could be motivational if properly managed by the bank but the problem is that managers have consistently failed in identifying a realistic sales target and properly using this target drive as retention and motivational strategies (Ibok (2012), thereby resulting in the prevailing high occupational mobility among sales employees. Accordingly Ibok (2012) observed that while functional deposit mobilization drive is necessary and can help reduce occupational mobility, high unrealistic sales target can be detrimental to the organization's productivity. This can result in the loss of highly valued sales employees who cannot consistently meet the set target and can as well jeopardize the realization of organizational goals. Abassi and Hollman (2000) argued that when good performers leave the organization, bad ones seems to remain in the organization, thus damaging the organization through decreased innovation, poor services, quack implementation of new programmes as well as degenerated productivity. Based on this, we proposed that:

H₅: The higher the level of deposit mobilization target or unrealistic sales target, the higher the rate of occupational mobility.

(v) Relationship between employee welfare scheme and occupational mobility.

The provision of a welfare scheme is an important component of a good employment policy. The argument for employee welfare scheme was well articulated by Martin (1967). In his argument, when organizations cater for the welfare of their employees, there is also commensurate increase in morale and loyalty, which also results in increase productivity. Another argument is that organizations that show genuine concern to others build up reputation, which helps to improve the image of the firm as a good employer. Accordingly, Ulrich (1997) contends that welfare may not necessarily increase productivity, but that a good welfare scheme has the tendency of increasing employees' commitment and helps in retention of valued employees. Such welfare scheme should include care for the elderly, care for the employee during sickness, bereavement, care during industrial and domestic accident, and clear care for employee's relatives, children, as well as sports and provision of recreational facilities. Thus, the relationship between employee welfare scheme and occupational mobility have been observed to have impacted severely on the sales employees perceived value of his organization and hence his or her satisfaction level. Against this backdrop, we proposed that:

H₆: The higher the level of perceived inadequacy in welfare scheme, the higher the rate of occupational mobility.

METHODOLOGY

This study primarily used data obtained between June 2012 to June 2013 in three senatorial districts of Akwa Ibom State, Nigeria. A cross section of marketing employees who had changed their jobs in the banking industry atleast once between June, 2012 and June 2013 were purposively selected using highly structured and well validated research instrument. The questionnaire consisted of three sections. Section A solicited information regarding the demographic profile of respondents, section B was designed to measure the various employment practices prevailing in the banking industry and adoptions from earlier studies while section C consist of questions which measure occupational mobility.

Thus in order to ensure that the questions were not ambiguous, the questionnaire items were validated with three senior colleagues in the Faculty of Business Administration of the university of Uyo who specialized in

management, Banking and marketing, thereafter, the questionnaire was pre-tested with a collection of 20 staff in other establishments who had also changed their jobs atleast in the past one year. However, in order to ensure that reasonable responses were received, several delivery methods were used such as hand delivery and the use of enumerators who visited these employees repeatedly.

The responses to the questionnaire items were made on a five point likert scale ranging from 1= extremely unimportant to 5=extremely important. Occupational mobility was measured using a five point likert scale from a minimum of 1 = no consideration to change job to 5 = very likely to change job. In order to analyze data so collected both the descriptive and inferential statistics were used and tested at $p>0.05$. While the statistical package for social sciences (SPSS) was used in data analysis.

FINDINGS AND DISCUSSION

Of the total number of respondents surveyed, 58 percent of them were male, while 42percent were female. Also 60percent of them attain university education, while 40 percent attended one level of education or the other. 48 percent of the sample had changed their jobs atleast two times, while 52 percent charge their jobs once. From this number, 38 percent are married, while a good percentage are not married (62 percent). On job experience, over 72 percent of them have job experience of five years and above, while only 28 percent have job experience below five years.

On the results of the hypotheses, the following findings were made:

H₁: The higher the level of perceived injustices in employment practices, the higher the level of occupational mobility among sales employees.

Statistical null hypothesis H₀: r = 0
 Statistical alternate hypothesis H_a: r = 0 /

Table 1: Relationship between perceived injustices and occupational mobility of sales employees.

Independent Variable	Dependent Variable	Pearson Value(r)	P-Value
Perceived Injustices	Occupational Mobility	0.807	0.01

This construct was measured based on respondents’ perception of the conditions of employment. The result shows a high positive correlation between the variables (r =0.807, P<0.01). This implies that occupational mobility among marketing employees is directly related to perceived injustices as practiced in the employment contract. This suggests that the more injustices employees perceived as prevalent in their employment contract, the more they will consider leaving their jobs to another. This finding is in agreement with the views of Boxall and Purcell (2003), Brown (2003) and Ibok (2012) whom in their respective studies cautioned on social injustice in employment as it can enhance labour turnover.

H₂: The higher the level of transfers of sales employees in the bank, the higher the rate of occupational mobility

Statistical null hypothesis: H₀: r = 0
 Statistical alternat hypothesis: H_a: r = 0 /

Table 2: Relationship between transfers and occupational mobility.

Independent Variable	Dependent Variable	Pearson Value(r)	P-Value
Organizational Transfers	Occupational Mobility	0.636	0.00

The results of the study shows a significant influence of organizational transfers on the occupational mobility of sales employees (r = 0.636; P<0.00). This implies that higher level of transfers in the organization signals higher rate of mobility among sales employees. This grows disaffection and leads to more disloyalty among organizational members. This finding is consistent with the findings of Capelli (2000); Ben, (2003) and Ibok (2012).

H₃: The higher the level of sales employees dissatisfaction with promotional polices in the bank, the higher their level of occupational mobility.

Statistical null hypothesis: $H_0: r = 0$
 Statistical alternate hypothesis: $H_a: r = 0$ /

Table 3: Relationship between promotional policies and occupational mobility.

Independent Variable	Dependent Variable	Pearson Value(r)	P-Value
Promotional Policies	Occupational Mobility	0.582	0.01

The result of the Pearson product moment correlation coefficient reveals that the relationship is positive between the two variables ($r = 0.582$, $P > 0.01$). This implies that a higher dissatisfaction with organization’s promotional practices, the more employees will migrate seeking for better conditions elsewhere. These findings corroborate Guest and Conway (2002) observation and Schalk and Rousseau (2001) empirical findings, who cautioned on the need for fair, just and equitable promotional practices in the organization.

H₄: The higher the level of job insecurity the higher the rate of occupational mobility among marketing staff

Statistical null hypothesis: $H_0: r = 0$
 Statistical alternate hypothesis: $H_a: r = 0$ /

Table 4: Relationship between job security and occupational mobility

Independent Variable	Dependent Variable	Pearson Value(r)	P-Value
Job Security	Occupational Mobility	0.579	0.00

The result ($r = 0.579$; P-value of 0.00), shows a statistically significant relationship between the variables. Thus the association between job security and occupational mobility is statistically significant because of the P-value of 0.00, resulting in the acceptance of the hypothesis. This finding is in agreement with the views of Youndt, (2000); Wenger and Snyder (2000)

H₅: The higher the level of unrealistic sales target set, the higher the rate of occupational mobility among sales employees.

Statistical null hypothesis: $H_0: r = 0$
 Statistical alternate hypothesis: $H_a: r = 0$ /

Table 5: Relationship between sales target and occupational mobility

Independent Variable	Dependent Variable	Pearson Value(r)	P-Value
Deposit Mobilization (Sales Target)	Occupational Mobility	0.755	0.00

The result of the influence of deposit mobilization (sales target) on occupational mobility of sales employees indicates a strong positive relationship between deposit mobilization drive and occupational mobility. This implies that if the level of deposit mobilization is high (that is unrealistic) then sales employees need for occupational mobility will also increase. Thus, the result is statistically significant, leading to the acceptance of the hypothesis. This finding corroborates earlier studies by Purcell et-al (2003); Murlis and Watson, (2003) and Abassi and Hollman (2000).

H₆: The higher the level of perceived inadequacy in welfare scheme provided by the bank, the higher the occupational mobility of sales employees.

Statistical null hypothesis: $H_0: r = 0$
 Statistical alternate hypothesis: $H_a: r = 0$ /

Table 6: Relationship between welfare scheme and occupational mobility

Independent Variable	Dependent Variable	Pearson Value(r)	P-Value
Welfare Scheme	Occupational Mobility	0.867	0.00

The result of the Pearson product moment correlation coefficient shows a strong influence of welfare scheme on occupational mobility of sales employees. The r-value of 0.867 and P-value of 0.00 indicates a statistical significant relationship between the two variables. This finding corroborates with the views of Martin (1967) and Ulrich (1997) that in their respective studies saw staff commitment as a function of provision and adequacy of welfare packages provided by an organization.

Conclusion and managerial implications

This study has successfully established that certain organizational practices can influence occupational mobility of sales employees in the bank. These factors include; perceived social injustice in the work place, frequent and unnecessary transfers, unfavourable promotional policies, unrealistic deposit mobilization drive, job insecurity and absence of appropriate welfare scheme. Thus, all the hypotheses in the study are supported; hence efforts should be made by bank managers on how best to improve the administrative machinery, particularly in the employment setting as it affects sales employees. This would require paying attention to the issues of sales employees needs in order to build a favourable climate where best talents can thrive without recourse to looking outside while working in the organization.

Accordingly, the limitations of this study include the fact that this study is conducted within the banking industry in Nigerian context, thus the degree to which its findings can be generalized is therefore limited in scope. Therefore we propose that future research should determine the validity of these findings in other sectors of the economy, not only in Nigeria, but also in other countries.

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