The Relationship Between Change Management Practices and Employee Performance

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DOI: https://dx.doi.org/10.47772/IJRISS.2025.90500081

Received: 26 April 2025; Accepted: 30 April 2025; Published: 30 May 2025

ABSTRACT

This study investigated the relationship between change management practices and employee performance in selected banks in Ughelli, Delta State. The study adopted a descriptive survey research design. The population of the study comprises 180 employees from selected banks in Ughelli. A sample size of 90 employees and management staff was selected from three deposit money banks (Zenith Bank Plc, First Bank of Nigeria Plc, and UBA) in Ughelli. A self-designed questionnaire was the instrument used to gather data for the study. The questionnaire consists of 10 items structured in a 4-point Likert scale format. The hypotheses were tested using Chi-Square statistics. The study's result revealed a significant relationship between change management strategies and employee productivity in some banks in Ughelli. The study also found that employee involvement in change management has a significant effect on job satisfaction in selected banks in Ughelli. Therefore, the study recommended, among other things, that banks in Ughelli should implement clear communication strategies and involve employees in decision-making during organizational changes to enhance productivity and performance.

Keywords: Change Management, Employee Performance, Job Satisfaction, Employee Involvement, Change Management Strategies

INTRODUCTION

Organizations operate in dynamic environments where change is inevitable, necessitating effective change management strategies to sustain performance and competitiveness. Technological advancements, customer preferences, and economic conditions constantly evolve, requiring banks to adapt swiftly (Brown, 2022). Without a structured approach to change management, employees may struggle to cope, leading to resistance, reduced morale, and poor job performance. However, a good change management plan fosters a culture of adaptability and continuous improvement, ensuring employees remain motivated and productive during transitions.

Organizational success is determined by employee performance, and how employees respond to change significantly affects their efficiency and output. When banks implement new technologies such as digital banking platforms, some employees may feel overwhelmed by the need to acquire new skills. Proper training, communication, and involvement in decision-making can ease the transition, making employees more receptive and engaged. For instance, a bank introducing an automated loan processing system must equip employees with relevant knowledge and offer support structures to enhance efficiency and minimize errors (Johnson, 2022).

Roberts (2023) remarked that resistance to change is common in workplaces, especially when employees fear job loss or increased workloads. Transparent communication about the purpose and benefits of change helps to reduce anxiety and fosters a sense of ownership. Incentives, career growth opportunities, and participatory leadership approaches encourage employees to embrace change, ultimately enhancing their performance and contribution to organizational goals.

The banking sector in Ughelli faces significant challenges in managing change. Many employees are struggling to adapt to evolving technologies, regulatory shifts, and organizational restructuring. Resistance to change often results in decreased morale, reduced productivity, and inefficiencies that hinder overall performance. Poor communication, lack of employee involvement, and inadequate training exacerbate these issues, leading to frustration and job dissatisfaction. Without effective change management strategies, banks risk operational disruptions, employee disengagement, and customer dissatisfaction. This article examines the extent to which change management practices influence employee performance and identifies strategies to enhance adaptability and productivity in Ughelli's banking sector.

The aim of this study is to examine the link between change management practices and employee performance in selected banks in Ughelli. The following specific objectives guide the study: to determine the relationship between change management strategies and employee productivity in selected banks in Ughelli and to assess the effect of employee involvement in change management on job satisfaction in selected banks in Ughelli.

REVIEW OF RELATED LITERATURE

According to Mbarga (2022), change management is the structured approach organizations use to transit individuals, teams, and processes from a current state to a desired future state. It involves planning, communication, training, and support to minimize resistance and enhance adaptability. Effective change management ensures that employees understand, accept, and embrace new policies, technologies, or structures, leading to improved performance. Poorly managed change often results in uncertainty, stress, and decreased productivity. In the banking sector, where technological advancements and regulatory shifts are frequent, successful change management is crucial for maintaining operational efficiency, employee morale, and customer satisfaction, ensuring seamless adaptation to evolving industry demands (Tchoumba, 2023).

According to Smith (2021), employee performance refers to the efficiency, quality, and effectiveness of an employee's work in achieving organizational goals. It is measured through productivity, task completion, adherence to company standards, and contribution to overall business success. High-performing employees demonstrate dedication, competence, and adaptability, especially during organizational changes. Nabwire (2024) noted that the factors influencing performance include motivation, job satisfaction, leadership, and workplace environment. In the banking sector, employee performance determines service quality, customer satisfaction, and operational success. Poor performance, often caused by resistance to change, lack of training, or unclear expectations, can negatively impact organizational growth. Effective change management fosters an environment that enhances employee performance.

Eze (2024) emphasized that change management significantly impacts employee performance by shaping how employees adapt to new processes, technologies, and organizational structures. Properly managed change enhances productivity, motivation, and job satisfaction, while poorly executed change leads to resistance, stress, and reduced efficiency. When banks introduce digital banking platforms, employees may struggle with new systems, causing delays and errors. However, with clear communication, training, and support, they adapt faster, improving efficiency and customer service. For example, a bank transitioning to an automated loan processing system must equip employees with the necessary skills. Without this, Mugisha (2023) argued that employees may resist, but with proper guidance, they become more competent, leading to improved performance and seamless operations that benefit both the organization and its customers.

The following change management dimensions are discussed below:

Leadership and Communication: Effective leadership ensures clear communication of change objectives, reducing uncertainty and resistance among employees. Transparent communication fosters trust and engagement (Omoregie, 2023).

Employee Involvement: Actively engaging employees in the change process increases acceptance and commitment, leading to smoother transitions and improved performance (Johnson, 2022).

Training and Development: Providing employees with the necessary skills and knowledge ensures they adapt efficiently to new processes, minimizing errors and frustration (Okon, 2023)

Monitoring and Feedback: Continuous assessment of change implementation helps identify challenges early, allowing necessary adjustments to ensure success and maintain employees' productivity (Effiong, 2021)

Okon (2023) examined the impact of change management on employee performance in banking institutions in Cross River State. Nigeria. The study aimed to determine how change initiatives affect productivity and motivation. The population included bank employees across major commercial banks. A stratified random sampling technique was used to select 250 participants. Data was collected through structured questionnaires, validated through expert review. And tested reliability using Cronbach's alpha (0.86). The study employed regression analysis to determine relationships between variables. Findings revealed that effective communication and employee involvement significantly improved performance. The study recommended proactive leadership in managing transitions. Compared to the present study, Okon (2023) focused on a broader banking sector, while the present study narrows down to Ughelli, Delta State, highlighting local industry-specific challenges in change management.

Omoregie (2023) assessed the impact of leadership-driven change management on employee efficiency in commercial banks in Edo State, Nigeria. The study population consisted of 950 bank employees, with stratified sampling selecting 270 participants. Data was collected using interviews and questionnaires, validated through expert judgment, with a reliability score of 0.87. Multiple regression analysis was employed to establish relationships between leadership styles and performance outcomes Findings indicated that transformational leadership enhanced adaptability to change. The study recommended leadership training programs. The present study differs by examining not just leadership but also employee involvement. Filling a key research gap.

Johnson (2022) investigated change management strategies and employee performance in selected banks in Rivers State, Nigeria. The study targeted employees of five commercial banks. With a population of 1,200. A simple random sampling technique was applied to select 300 respondents. Data collection was through structured surveys validated via pilot testing, with a reliability coefficient of 0.89. The study used descriptive and inferential statistics for data analysis. Findings indicated that technological changes when poorly communicated, reduce employee performance. The study recommended increased training programs. Unlike the present study. This incorporates job satisfaction as a key factor. Johnson (2022) primarily focused on productivity without assessing employee morale.

Theoretical Framework

This work is based on the Change Management Model, a framework for understanding and implementing organizational change. The model is based on three stages: Unfreeze. Change, and Refreeze. Unfreezing involves preparing employees for change by challenging existing behaviours, mindsets, and structures. Leaders must create awareness about the need for change, reduce resistance, and foster a culture that embraces transformation. For example, a bank in Ughelli planning to introduce digital banking must first educate employees on the limitations of traditional banking and the benefits of digitalization. The second stage, Change (Transition), involves implementing new policies, technologies, or strategies. Employees begin adopting the changes, which can be met with uncertainty or resistance. Effective communication and training are crucial at this stage. For instance, if a bank transitions from manual customer service to an automated system, employees must be trained and reassured of job security. The final stage, Refreeze, stabilizes and reinforces the changes so that employees fully integrate them into their routines. Continuous support and incentives can ensure long-term success. A relevant example is providing performance-based rewards for employees who efficiently adapt to the new banking system, solidifying the change.

In the banking sector, resistance to change can hinder employee performance. Lewin's model highlights how structured change processes, like proper training and communication, enhance employee adaptability, reduce resistance, and improve productivity. By applying this model, banks can foster a seamless transition, ensuring improved efficiency and customer satisfaction. Thus, Lewin's model provides a structured approach that helps banks balance operational efficiency with employee well-being.

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume XII Issue V May 2025

RESEARCH METHODOLOGY

This study adopted a survey research design to examine the relationship between change management and employee performance in selected banks in Ughelli, Delta State. The survey design was suitable as it allowed the collection of first-hand data from employees to understand their perceptions and experiences regarding organizational change and its impact on performance. The population of this study comprised 180 employees from selected banks in Ughelli. These employees included both management staff and operational employees who were directly or indirectly involved in organizational change processes within the banks.

A sample size of 90 employees and management staff was selected from three deposit money banks in Ughelli. The three selected banks were Zenith Bank Plc. First Bank of Nigeria Plc, and United Bank for Africa (UBA) Plc. This sample was considered adequate for generalizing the findings within the banking sector in Ughelli.

The study employed a simple random sampling technique to ensure that every employee within the selected banks had an equal opportunity to participate. This method helped in eliminating bias and ensuring a fair representation of the population.

This study relied mainly on primary sources of data, collected through a structured questionnaire. The questionnaire was designed to obtain first-hand responses from employees regarding change management and its effect on their performance.

The reliability of the questionnaire was tested using the Cronbach Alpha method, and a coefficient value of 0.91 was obtained through SPSS analysis. This high reliability coefficient indicated that the instrument was consistent and dependable for measuring the variable under consideration. Additionally, simple regression was employed to test the research hypotheses, ensuring a statistical basis for concluding.

Testing of Hypotheses

Hypothesis One: There is no significant relationship between change management strategies and employee productivity in selected banks in Ughelli.

Table: Chi-square statistical result for hypothesis one

N	X^2 Calculated Value	X^2 Critical Value	Level of Significance	Remark
90	85.126	21.026 ($P<0.05$)	0.05	Significant

Since the Chi Square (X^2) calculated value (85.126) was greater than X^2 table value (21.026), the null hypothesis (H_{oi}) was rejected, which states that there is no significant relationship between change management strategies and employee productivity in selected banks in Ughelli. On the other hand, the alternative hypothesis (H_i) was accepted, which states that there is a significant relationship between change management strategies and employee productivity in selected banks in Ughelli.

Hypothesis Two: Employee involvement in change management has no significant effect on job satisfaction in selected banks in Ughelli.

Table: Chi-square statistical result for hypothesis two

N	X^2 Calculated Value	X^2 Critical Value	Level of Significance	Remark
90	52.791	21.026 ($P<0.05$)	0.05	Significant

Since Chi Square (x^2) calculated (52.791) was greater than X^2 table value (2 1.026), the null hypothesis (H_0) was rejected, which states that employee involvement in change management has no significant effect on job satisfaction in selected banks in Ughelli. Moreover, the alternative hypothesis (Hi) was accepted, which states

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume XII Issue V May 2025

that employee involvement in change management has a significant effect on job satisfaction in selected banks in Ughelli.

DISCUSSION OF FINDINGS

The findings revealed a strong positive perception of the relationship between change management strategies and employee productivity in selected banks in Ughelli, Delta State. Employees reported that the application of structured change management practices, such as clear communication, involvement in decision-making, and training during organizational changes, significantly enhanced their productivity. This is in line with the findings of Okon (2023), who also noted that well-implemented change management strategies positively affected employee performance in banking institutions in Cross River State. However, the present study focused more on the effectiveness of employee participation and its direct impact on productivity, while Okon (2023) emphasized leadership communication and managerial support. Similarly, Omoregie (2023) found a strong correlation between leadership-driven change management and employee efficiency in commercial banks in Edo State, but this study specifically highlighted the role of leadership in motivating employees through change, whereas the present study underscored broader participation and the importance of communication.

The result from the test of the hypothesis demonstrated a positive perception of employee involvement in change management and its impact on job satisfaction in selected banks in Ughelli. Employees felt more committed and satisfied when they were actively involved in change processes, such as decision-making and being informed about upcoming changes. This finding mirrors Effiong's (2021) research in Akwa Ibom State, where employee morale and productivity were found to improve when employees felt their opinions were valued during change implementation. However, while Effiong (2021) focused more on employee morale, the present study placed a stronger emphasis on job satisfaction as a direct outcome of involvement in change management. Johnson (2022) also found that employee involvement in change management strategies positively affected their performance in Rivers State, further supporting the findings of the current study. Nevertheless, Johnson (2022) suggested a more systematic approach to measuring employee performance, whereas this study highlighted the subjective perception of job satisfaction and productivity as key indicators.

The findings of this study reinforce the importance of employee participation and clear communication in driving positive outcomes in change management, aligning with the broader literature. However, the unique focus of this study on Ughelli's banking sector fills a gap by exploring how these factors specifically impact job satisfaction and productivity in this region, which has not been extensively covered in previous research.

CONCLUSION

This study concluded that change management strategies significantly enhance employee performance in selected banks in Ughelli, Delta State. The findings from the first research question showed a strong positive perception of the relationship between effective change management and employee productivity, with employees reporting increased efficiency due to clear communication and involvement. The second research question revealed that employee involvement in change management positively impacts job satisfaction, with employees feeling more motivated and committed when engaged in decision-making. Overall, the study emphasizes the importance of structured change management practices and active employee participation in driving performance and satisfaction.

RECOMMENDATIONS

Banks in Ughelli should implement clear communication strategies and involve employees in decision-making during organizational changes to enhance productivity and performance.

Banks should provide opportunities for employees to actively participate in change management processes, as this will improve job satisfaction, motivation, and commitment.

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume XII Issue V May 2025

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