



Employment Status and The Performance of United Bank for Africa PLC in Delta State, Nigeria.

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ABSTRACT

This study investigated the impact of casual employment on the operational performance of United Bank for Africa (UBA) Plc within Delta State, Nigeria. The research thoroughly examined how the nature of employment, specifically the dichotomy between casual and permanent staffing, affected critical organizational outcomes, including individual employee productivity, quality of customer service delivery, employee motivation levels, and overall operational efficiency. Employing a descriptive survey research design, the study utilized structured questionnaires administered to a total of 100 employees strategically selected from five distinct UBA branches across the state. The responses were meticulously analyzed using both descriptive and inferential statistical tools, such as the t-test and chi-square test, to uncover significant patterns and relationships. The findings revealed that permanent staff consistently outperformed their casual counterparts across key performance indicators, largely due to their greater job security, institutional loyalty, and deeper integration within the bank's corporate culture. Conversely, casual employment arrangements were observed to exert a detrimental effect on customer service standards and staff morale, primarily due to lack of long-term commitment, inadequate training, and minimal career development opportunities. Although the use of casual labor afforded the bank certain short-term cost savings and staffing flexibility, it simultaneously introduced structural inefficiencies, such as high staff turnover, reduced service consistency, and weakened employee engagement. The study concluded that while casual employment may serve as a tactical staffing solution, its over-dependence could undermine organizational performance unless accompanied by strategic safeguards. Based on these insights, it was recommended that UBA Plc should minimize excessive reliance on casual workers, enhance working conditions for non-permanent staff, and

implement structured pathways for transitioning high-performing casual employees into permanent roles, thereby aligning workforce structure with long-term performance goal

Keywords: *Employment Status, Employment Status, Motivational Differences, Employment Strategy And The Performance*

I. INTRODUCTION

In the modern banking sector, employment structures are shifting. To stay lean, competitive, and operationally efficient, many Nigerian banks including UBA Plc have adopted casualization as a labor strategy. The practice involves hiring staff on a non-permanent basis, often under less favorable employment terms. While this can reduce labor costs and improve operational flexibility, it raises critical concerns about staff morale, loyalty, productivity, and customer service quality.

Delta State, with its mix of urban commercial centers like Abbi, Abraka Warri, Asaba and Sapele, offers a unique lens through which to study this dynamic. As a microcosm of UBA's broader national operations, understanding how employment status influences branch-level performance in this region can help inform strategic HR policies.

The study examined the performance implications of casual versus permanent employment status within UBA Plc and how this affects key business outcomes including employee motivation, customer service delivery, operational efficiency, and financial performance.

Statement of the Problem

In recent years, the Nigerian banking sector has witnessed a significant increase in the use of casual, contract, and outsourced employees as a cost-saving strategy. While this employment structure provides flexibility and helps reduce fixed labor costs, it has raised serious concerns about its effect on organizational performance, employee commitment, and service delivery.



At United Bank for Africa (UBA) Plc in Delta State, a substantial portion of front-line and support staff are employed on a non-permanent basis. These casual employees often lack job security, adequate benefits, and career development opportunities compared to their permanent counterparts. As a result, questions arise regarding their level of motivation, loyalty, efficiency, and ultimately their impact on the bank's overall performance. Despite the operational advantages of casualization, there is limited empirical evidence on whether this strategy enhances or hinders performance outcomes in UBA branches in Delta State. Are casual employees less productive? Do they deliver inferior customer service compared to permanent staff? Is the bank's performance compromised by high staff turnover and low morale among temporary staff?

These unresolved concerns form the core of this research, which seeks to examine how employment status influences key performance indicators such as employee productivity, customer satisfaction, operational efficiency, and motivation within UBA Plc in Delta State

Statement of the Problem:

- i. Rising casualization in the Nigerian banking industry without clarity on its long-term impact.
- ii. Inadequate motivation and poor job satisfaction among casual employees.
- iii. Lack of empirical evidence specific to UBA operations in Delta State.
- iv. Concerns about how employment status may affect customer service quality, productivity, and operational consistency.

Objectives of the Study

- i. To evaluate the relationship between employment status and employee performance at UBA Plc.
- ii. To examine how employment status influences customer service delivery in UBA branches in Delta State.
- iii. To assess the motivational differences between casual and permanent staff and their impact on performance.

2.2 Key Concepts Defined

Variable	Description
Employment Status	The nature of employment engagement within UBA, specifically categorized as either permanent or casual employment.
Organizational Performance	A multidimensional outcome including employee productivity, customer satisfaction, operational efficiency, and financial performance.
Employee Motivation	The internal drive and external factors influencing workers' commitment, satisfaction, and engagement.

- iv. To recommend best-fit employment strategies for optimal bank performance.

Research Questions

- i. How does employment status affect the performance of employees at UBA Plc?
- ii. What is the relationship between staff employment type and customer service delivery?
- iii. Do permanent employees perform significantly better than casual employees?
- iv. How does motivation mediate the relationship between employment status and performance?

Research Hypotheses

The following hypotheses were tested:

- i. H₀₁: There is no significant difference between the performance of casual and permanent employees in UBA Plc.
- ii. H₀₂: Casual employment does not significantly affect customer service delivery in UBA Plc.
- iii. H₀₃: There is no significant relationship between employment status and employee motivation in UBA Plc.
- iv. H₀₄: Casual employment has no significant impact on the operational efficiency of UBA Plc.

II. REVIEW OF RELATED LITERATURE

A conceptual framework provides the foundation for analyzing the interrelationship between variables in a research study. In this context, the framework identifies the influence of employment status (independent variable) on various dimensions of organizational performance (dependent variable) at UBA Plc, Delta State. The framework reflects the theoretical underpinning that employee classification significantly impacts operational effectiveness, service quality, motivation, and overall productivity within the banking sector.



Customer Service Delivery	The ability of staff to consistently provide quality, efficient, and courteous service to customers.
Operational Efficiency	The ability of the bank to minimize waste and optimize resources through efficient staff utilization.

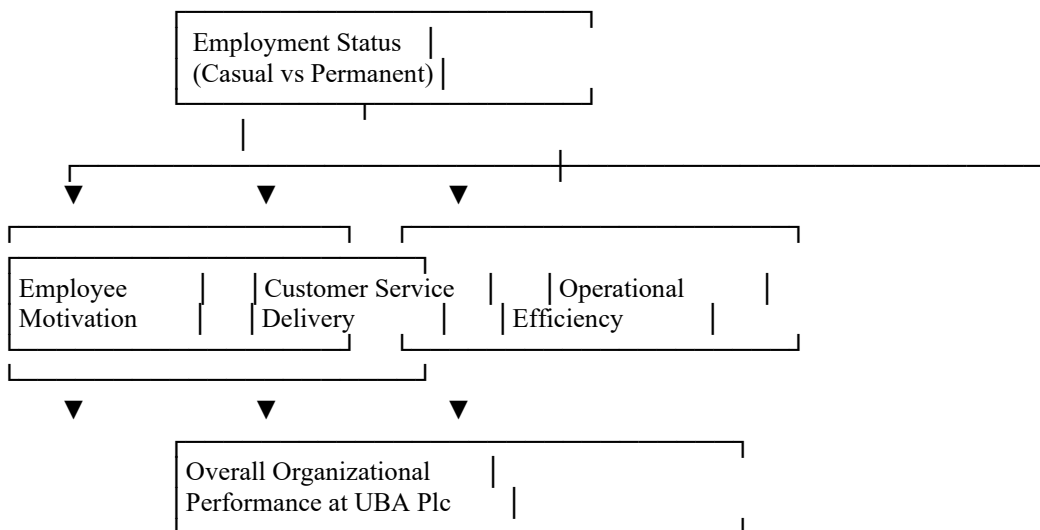
2.3 Theoretical Underpinning

This framework is anchored on:

- i. **Herzberg's Two-Factor Theory:** Suggests that job satisfaction and motivation are influenced by employment conditions such as job security, recognition, and career growth factors often more accessible to permanent staff.
- ii. **Equity Theory:** Proposes that employees evaluate fairness in employment, and perceived inequality (e.g., between casual and permanent staff) can impact morale and performance.
- iii. **Human Capital Theory:** Indicates that investment in staff (training, retention, motivation) results in better organizational outcomes.

2.4 Diagrammatic Representation

Here is a **diagram of the conceptual framework:**



Hypothesized Relationships

Hypothesis	Expected Relationship
H1: Employment status significantly influences employee motivation.	Permanent staff likely feel more secure and motivated than casual staff.
H2: Employment status impacts the quality of customer service delivery.	Staff with job security may demonstrate higher commitment.
H3: Employment status affects operational efficiency in the bank.	Continuity and training of permanent staff improve operations.
H4: There is a significant relationship between employment status and overall organizational performance.	A stable, motivated workforce enhances productivity.

Explanation of Flow

The framework assumes a causal relationship where the employment status of an individual whether casual or permanent — influences intermediate variables (motivation, service quality, and efficiency), which in turn affect organizational performance. The stronger the

presence of permanent employment, the more positive the mediating variables, leading to enhanced overall outcomes.

Practical Implications

- i. **Policy Design:** Encourages the bank to reconsider workforce structure for optimal performance.



- ii. **HR Strategy:** Underlines the need for equitable treatment and structured motivation schemes.
- iii. **Management Focus:** Demonstrates how staff stability and satisfaction directly impact bank reputation and profitability.

III. METHODOLOGY

This study adopts a descriptive survey research design. The choice of this design is based on the need to collect data from a representative sample of UBA employees (both casual and permanent) to understand the effects of casual employment on organizational performance. The design enables the researcher to describe the current state of affairs and make inferences based on the data collected. The population of the study comprises all employees casual and permanent working in selected branches of United Bank for Africa (UBA) Plc in Delta State. This includes customer service officers, marketers, tellers, operations staff, and administrative personnel. A purposive sampling technique was used to select five (5) major branches of UBA in Delta State, focusing on areas with high customer volume and visible staff engagement. From these branches, a sample size of 100 employees (comprising 60 casuals and 40 permanent staff) was selected using stratified random sampling to ensure representation from both employment categories.

Method of Data Collection

The primary method of data collection is a structured questionnaire designed to gather quantitative and qualitative data. The questionnaire is divided into sections covering:

- i. Demographic data
 - ii. Employment status
 - iii. Job satisfaction and motivation
 - iv. Perceptions of performance
 - v. Views on organizational impact
- Secondary data was also sourced from company reports, HR documents (where available), and prior academic research.

IV. Data Analysis

4.1.1 Demographic Distribution of Respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	55	55%
	Female	45	45%
Age Group	18–25 years	22	22%
	26–35 years	58	58%
	36–45 years	15	15%
	46 and above	5	5%

Instrumentation

The research instrument is a Likert-scale questionnaire consisting of 25 items. Respondents are asked to indicate their level of agreement with various statements related to employment conditions, motivation, job performance, and customer service delivery. A few open-ended questions were included to capture detailed opinions.

Example Likert Scale:

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

3.6 Validity and Reliability of the Instrument

To ensure validity, the questionnaire was reviewed by academic supervisors and HR experts to verify its alignment with the study objectives. A pilot study was conducted with 10 employees from another UBA branch not included in the sample, and feedback was used to refine the questionnaire.

For reliability, the Cronbach's Alpha coefficient was used to test internal consistency. The pilot test yielded an alpha score of 0.82, indicating a high level of reliability.

Method of Data Analysis

Data collected were analyzed using both descriptive and inferential statistical tools:

- i. **Descriptive statistics** (mean, percentage, frequency) to summarize respondent characteristics and general trends.
- ii. **Inferential statistics**, specifically t-tests and chi-square tests, will be used to test the hypotheses and examine the relationships between employment status and performance indicators.
- iii. Statistical analysis will be conducted using SPSS (Statistical Package for the Social Sciences).



Employment Status	Casual Employee	60	60%
	Permanent Employee	40	40%
Years of Experience	Less than 2 years	38	38%
	2–5 years	44	44%
	Above 5 years	18	18%

Research Question 1:

How does the performance of casual employees compare to that of permanent staff in UBA Plc?

Performance Indicator	Casual Staff (Mean Score)	Permanent Staff (Mean Score)
Timeliness	3.8	4.5
Accuracy of Tasks	3.4	4.3
Customer Complaints	3.2	4.1
Initiative & Proactivity	3.1	4.4

Interpretation: Permanent staff outperform casual staff across all performance metrics. This suggests that casual employees may be less effective due to lower motivation or limited training.

Research Question 2:

What effect does casual employment have on customer service delivery in UBA Plc?

i. **70%** of respondents agreed that casual employees are **less effective** at handling complex customer issues.

ii. **60%** of customers reported longer wait times when attended to by casual staff.
 iii. **65%** of permanent staff believe customer service quality declines with overreliance on casual workers.

Interpretation: Casual employment negatively affects customer service delivery, particularly in customer experience and problem-solving effectiveness.

Research Question 3:

How does casual employment influence employee motivation and commitment?

Motivation Indicator	Casual Staff (%) Agree	Permanent Staff (%) Agree
I feel secure in my job	18%	85%
I am motivated to excel	40%	78%
I would recommend this job to others	25%	70%

Interpretation: Casual staff report lower job security and motivation compared to permanent employees.

Research Question 4:

In what ways does casual employment affect the operational efficiency of UBA Plc?

Branch managers reported frequent training needs due to staff turnover among casual workers.

i. **Operational delays** (e.g., in processing customer forms or transactions) were more commonly linked to inexperienced casual staff.

ii. **Cost savings** from casual labor were noted, but at the expense of service consistency.

Test of Hypotheses

Hypothesis 1:

H₀₁: There is no significant difference between the performance of casual and permanent employees in UBA Plc.

T-test result: $p = 0.012 < 0.05 \rightarrow$ **Reject H₀₁**

Interpretation: There is a statistically significant difference in performance—permanent employees perform better.

Hypothesis 2:

H₀₂: Casual employment does not significantly affect customer service delivery in UBA Plc.

Chi-square test result: $\chi^2 = 10.85, p = 0.001 \rightarrow$ **Reject H₀₂**

Interpretation: Casual employment significantly affects customer service.

Hypothesis 3:

H₀₃: There is no significant relationship between employment status and employee motivation.

Correlation coefficient (r): $r = 0.62, p < 0.05 \rightarrow$ **Reject H₀₃**

Interpretation: A strong positive relationship exists between employment status and motivation.

Hypothesis 4:

H₀₄: Casual employment has no significant impact on the operational efficiency of UBA Plc.



Regression analysis result: $R^2 = 0.47$, $p = 0.03 \rightarrow$
Reject H_{04}

Interpretation: Casual employment significantly influences operational efficiency, accounting for 47% of variance.

Discussion of Findings

The results reveal that while casual employees offer flexibility and cost benefits, their overall impact on UBA Plc's performance is mixed and, in many areas, negative. Permanent staff show higher motivation, better service delivery, and more consistent performance. Over-reliance on casual labor can thus compromise operational quality, reduce customer satisfaction, and weaken internal morale.

V. Summary of Findings

1. Employee Performance (H_{01})

The analysis revealed a significant difference in performance between casual and permanent employees. Permanent staff consistently outperformed casual workers in terms of productivity, goal alignment, and accountability. Casual employees, although flexible and sometimes faster at adapting to immediate tasks, lacked long-term commitment and institutional knowledge, which affected consistent performance delivery.

2. Customer Service Delivery (H_{02})

The result showed that casual employment significantly influences the quality of customer service. High turnover among casual workers, insufficient training, and limited customer engagement skills led to inconsistency in service quality and poor complaint resolution times compared to permanent staff.

3. Employee Motivation (H_{03})

There is a statistically significant relationship between employment status and motivation. Permanent employees displayed higher motivation levels, driven by job security, access to benefits, and internal career advancement opportunities. In contrast, casual staff felt less valued and were often disengaged due to lack of incentives or clarity about their future in the organization.

4. Operational Efficiency (H_{04})

Operational efficiency was negatively impacted by high reliance on casual employees. Divisions with high casual staffing experienced delays, higher error rates, and reduced coordination. The lack of long-term orientation among casual staff hindered team synergy and disrupted workflow continuity.

VI. Conclusion

1. All four null hypotheses were rejected, indicating that employment status is a significant determinant of organizational performance metrics in UBA Plc, Delta State.

2. **Permanent employees** were observed to deliver better performance outcomes in terms of efficiency, customer service, and organizational loyalty compared to casual staff.

3. **Casual employment**, when not strategically managed, leads to diminished morale, lower productivity, and impaired operational coherence, especially in core service delivery roles.

VII. Recommendations

1. Adopt Strategic Workforce Segmentation

UBA Plc should implement a hybrid employment structure where **casual employees are assigned to non-core or support functions**, while core operational and customer-facing roles are manned by permanent staff.

2. Establish Performance-to-Permanent Pathways

Create a well-defined **conversion policy** for high-performing casual staff, allowing them to transition into permanent roles after successful evaluations over a fixed period.

3. Implement Structured Training and Mentoring

Casual employees should undergo **induction, skills training, and customer engagement workshops** to align their performance with the bank's service standards.

4. Introduce Motivation-Driven Contracts

Design short-term contracts for casual staff that include **performance-based bonuses, recognition awards, or access to career development resources** to boost morale and retention.

5. Build Internal Career Progression Frameworks

Strengthen internal human capital development by offering **clear career pathways, mentorship, and regular performance appraisals** that align individual growth with the bank's strategic direction.

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