Article

HR Metrics and Organisational Performance: Evidence from the Nigerian Banking Sector

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Abstract – This study investigated the relationship between HR metrics and organisational performance in the Nigerian banking sector with First Bank Nigeria PLC as the empirical context. In particular, the study investigated employee turnover rate, employee engagement, time-to-hire, employee wellbeing, and learning and development initiatives to measure the behaviour of employees in terms of organizational performance. A descriptive cross-sectional survey was employed to study this study and data were gathered from 100 usable responses obtained from 130 distributed questionnaires (response rate = 76.9%). The data were analysed based on descriptive statistics and multiple regression analysis. We found that employee turnover rate, time-to-hire, and learning and development initiatives are significantly associated with organisational performance while employee engagement and employee wellbeing were not statistically significant. Learning and development was the leading predictor of organisational performance. This study contributes to Human Capital Theory by finding that not all HR metrics contribute equally to organisational performance and highlights the strategic value of prioritising capability development and recruitment efficiency within HR analytics frameworks. In practical terms, the findings can be used for HR managers and banking executives to improve organisational performance by using data-based workforce management.

Keywords: "Employee Turnover", "Employee Engagement", "Employee Wellbeing", "HR Metrics", "Organisational Performance".

JEL Classification: M12, M51, G21

1. Introduction

In recent years, the Nigerian banking sector has experienced a rapid rise in employee turnover rates, resulting in a decrease in operational efficiency a stability of the sector. Nwokocha and Iheriohanma (2021) say employee turnover in Nigerian banks has increased due to poor job satisfaction, limited career advancement opportunities, and unfavorable working conditions. As a result, many organisations have developed various retention strategies (Odor & Samuel, 2022), and HR metric analysis is one of the most effective tools to tackle workforce instability as well as improve organisational performance. HR metrics

analysis, which involves systematically tracking and assessing key employee factors, has been shown to be a very effective tool for making decisions and improving business performance, which can be carried out in an organisation by aligning HR activities to the business goal (Obisi & Enya, 2020). For instance, to analyze employee turnover rates, employee engagement, and time to hire of Nigerian banks (Oladokun & Agbaje, 2021) to assess and improve their retention strategy, these metrics were used. While the use of HR metrics in Nigeria's banking sector is growing, there have been few studies on the relationship between critical HR metrics and organisational performance in this context. Although several studies have focused on the role of HR metrics on a range of HR outcomes, the study is generally focused on job satisfaction (Bello & Olusegun, 2022; Musah, Akoto & Dzigbede, 2023), employee wellbeing (Amponsah-Tawiah & Adu, 2022; Tsaur & Hsu, 2021), and organisational performance (Obi-Nwosu & Ekene, 2023; Akinbode & Gbadamosi, 2022). These studies have shown the positive impact of HR metrics, with job autonomy and performance evaluation being linked to job satisfaction, employee wellbeing, and performance (Ugwu, Igbokwe & Eze, 2023; Ogungbamila, Adeniji & Omonijo, 2022).

However, most of these studies have been related to other sectors not related to the Nigerian banking sector, such as healthcare, education, and manufacturing (Adedeji & Olowookere, 2022; Ojo & Babalola, 2021). As such, there is a gap in the literature on the specific role of HR metrics on organisational performance in Nigeria. This study aims to fill this gap by taking HR measures such as employee turnover rate, employee engagement, time to hire, employee wellbeing, and learning and development and examining their impact on the organisational performance in First Bank of Nigeria. The questions that are asked in this study are: How does employee turnover rate impact the organisational performance in First Bank? What are the effects of employee engagement on organisational performance in First Bank? How does time to hire metrics impact the organisational performance in First Bank? What is the correlation between employee wellbeing and organisational performance in First Bank? And how does the effectiveness of learning and development initiatives affect organisational performance in First Bank?

2. Literature Review

2.1. Human Capital Theory

The Human Capital Theory (HCT) is the theoretical framework for this study, which highlights the strategic importance of human resources as a key dimension of the performance of the organisation in promoting organisational performance. The banking industry, with so much knowledge involved with complex decision making, complex processes, and high customer interaction is well suited to the core of HCT, which emphasizes investment in employee education, training and skills development. HCT is useful as an analytical tool to measure HR metrics and the efficiency of organisation in the context of human capital investments (Ployhart et al., 2017; Boon et al., 2018), and HCT provides a way to assess human capital investment to determine performance as it says that investment in human capital, such as employee productivity, skill acquisition and retention, yields tangible organisational benefits, including enhanced financial performance, operational efficiency, and competitive advantage (Ployhart et al., 2017; Boon et al., 2018). Also,

because HCT is focused on outcomes of human resource development and HR analytics based on HR analytics such as employee turnover and training effectiveness in the organisation to be able to use in the organisation and HR analytics such as employee turnover rates and effectiveness in organisational strategy is quantifiable and thus the key for banks to be competitive in a market where the global economy is volatile and the human resources are important in today's banking system (Bryson et al., 2019). Through HCT, the research in this study is able to show the link between human capital investment and performance and how the role of human resources in human capital (HR) metrics in determining performance and how it is a tool for the organisation to be able to match the skills of the workforce to the strategic objectives of the organisation and therefore the relevance of the theory in today's banking sector.

2.2. Organisational Performance

Organisational performance has been extensively studied and defined by various sources in the international literature and is a multi-dimensional and dynamic aspect of organisational performance. According to Al-Matari, Al- Swidi, and Fadzil (2019), organisational performance is the ability of the organization to achieve its goals when it is able to achieve this by aligning resources, processes and strategies. In this sense, performance is defined as the achievement of goals. On the other hand, Rashid, Othman and Ibrahim (2020) argue that organisational performance is a composite of financial and non-financial elements like profitability, market share and customer satisfaction that can be measured in a way that is jointly and collectively positive for the success of the organisation. Similarly, Anwar and Abdullah (2021) point out that the organisational performance is integrated within the organisation processes and employee productivity and market performance and not just in the company but also externally. The common concept is about resource efficiency and operational effectiveness to achieve strategic objectives.

2.3. HR Metrics

HR metrics is the key metric for the organisation's performance, as it is a central aspect for the banking industry (and hence banking company) to achieve their best performance and their success is in terms of management efficiency, talent management and strategic decision making is the most important. HR Metric Analysis is the process of analysing the effectiveness of HR and the alignment of HR and HR practices in order to measure the efficiency, productivity and strategic alignment of the HR activities to the organization's overall business objectives. HR metrics are used by the organizations to measure the value of human capital to the business by providing data-driven insights about employees. The HR metrics considered in this study are employee turnover rate, employee engagement, time to hire, employee wellbeing, and learning and development efforts.

2.4. Employee Turnover Rate

Employee turnover rate is a critical factor in human resources research and is a hot topic in the recent academic literature concerning the banking sector and many other industries.

Different scholars define employee turnover rate in different but very complementary ways. Armstrong (2018) defines turnover as the percentage of employees who leave an organisation within a period of time (voluntary and involuntary exit). High turnover levels disrupt the continuity of business and cause high recruitment and training costs and affect financial performance (Ezenwa, 2021). Furthermore, frequent turnover in Nigerian banks leads to customer dissatisfaction (Okafor, 2022) as long-term customer relations are often affected by unstable employee-customer relations. At the same time, low turnover rates lead to improved organisational outcomes by introducing new perspectives and strategic re-alignments, provided that the exits are managed (Olufemi, 2020). The Nigerian banking industry, which has an average annual employee turnover rate exceeding 25%, is not only experiencing a significant productivity loss of over ₦100 billion annually, but also labor shortages, and work load from remaining employees (Olatunji, 2022). Hence, reducing turnover rates due to poor retention policies is important to maintain sustainable performance. To solve this problem whole, human resources practice should be well aligned with organizational goals. Based on the above studies, we hypothesize that:
H01: Employee turnover rate has no significant relationship with organisational performance.

2.5. Employee Engagement

Bakker and Albrecht (2018) describe employee engagement as energy, commitment, and focus employees bring to their jobs, and that people's psychological investment in work is at the heart of their work life. Also, Shuck and Reio (2021) describe employee engagement as a dynamic interplay of workplace commitment, discretionary effort, and meaning generated from tasks. A critical synthesis of definitions highlights that employee engagement is not only about whether employees are working at all but also how much people are physically invested in work. Akinwale and George (2020) show that employees are more productive, happier and innovative and that is key to maintaining competitive advantage in Nigeria's highly dynamic financial sector. Similarly, Adeola et al. (2022) show engagement is a good trait for keeping people involved because it creates stronger commitment and less turnover of staff in the Nigerian banking market with high job mobility. The implications are clear: employee engagement is not only crucial to quick results (productivity and customer satisfaction in the short term) and is also one of the main factors contributing to long-term growth in the company and therefore reducing the cost of staff turnover. In the Nigerian banking industry with the intense competition and high customer expectations, engagement among employees is not just an option, but an imperative. This study hypothesised that: H02: There is no significant relationship between employee engagement and organisational performance.

2.6. Time-to-hire

Holm (2020) defines time-to-hire as the time between a job requisition is approved and a candidate accepts the offer, emphasising its operational focus on the recruitment process timeline. Subramanian (2021) considers time-to-hire to be a strategic HR metric that is not only about recruitment efficiency but also the alignment of hiring timelines with organisational objectives. The importance of time-to-hire in banking as it pertains to

organisational performance is high as the industry is very competitive and fast-paced. It is shown in various empirical studies that time to hire is crucial for the competitive advantage which is achieved with the optimization of the workforce. Ojo (2022) states that long hiring times in Nigerian banks often result in skill shortages, increased workload for existing staff, and diminished customer satisfaction, all of which negatively impact organisational performance. Also, Eke and Olatunji (2021) have found the negative impacts of extended time-to-hire on employee productivity in Nigerian banks, as delays in hiring lead to slow onboarding and training, which negatively affects operational efficiency. These findings therefore show that in the Nigerian banking industry, time-to-hire is also an important factor and therefore impacts not only operational efficiency but also strategic outcomes such as market responsiveness and employee morale. Therefore, we will hypothesize that:
H03: time-to-hire does not have a significant impact on organisational performance

2.7. Emplyee Wellbeing

Zhang and Tu (2022) define employee wellbeing to be a composite of physical, psychological, and social factors affecting employees' overall quality of life and job satisfaction. Adeniji et al. (2020) show that employee wellbeing is positively related to job satisfaction, which in turn increases productivity and reduces turnover rates. Being in a competitive and stressful industry such as banking, organisations that prioritise employee wellbeing are more likely to achieve operational efficiency and customer satisfaction (Okunola & Aladesanmi, 2022). These observations highlight the centrality of wellbeing to the management of work stress and burnout, which are common in the Nigerian banking sector due to long working hours and high performance expectations. Moreover, wellbeing initiatives encourage organisational citizenship behaviors (OCBs) that promote a collaborative work environment essential for achieving strategic goals (Ugochukwu & Ifeanyi, 2023). So, we would theorize that:
H04: Employee wellbeing has no meaningful relationship with organisational performance.

2.8. Learning and Development (L&D) Iniatives

King and Nesbit (2021) described L&D as a continuous and strategic investment in workforce capability to enable employees to meet shifts in performance. Banks with structured learning initiatives have shown to have increased productivity and service delivery. Adeyemi and Ogundele (2021) demonstrated that continuous professional development programmes in the Nigerian banks led to improved financial service innovation and reduced operational errors. Okon and Imoh (2020) also found that L&D efforts lead to organisational resilience, particularly in navigating economic disruptions. They also found that banks that invested in L&D had a higher customer satisfaction score than those with lower investments. This study thus hypothesizes that:
H05: Learning and development initiatives have no significant impact on organisational performance.

3. Methodology of Study

Research design is the set of methods and procedures used to collect and analyze the measures of the variables of the research problem and is a set of tools developed by researchers in order to obtain the answers to the research questions (Creswell, 2014). The descriptive survey research design was the right approach to undertake the study as it could be used to investigate the statistical relationship between HR metrics and organisational performance without manipulating the study variables. There were 130 questionnaires sent to employees of First Bank Nigeria PLC. Of these, 100 were completed and returned at a rate of 76.9%, which is satisfactory for organisational survey research and is sufficient for statistical analysis. However, non-response bias is not ruled out, as the perceptions of employees who did not participate might differ from those of those who participated. Therefore, the results should be interpreted as being the views of the participants. The questionnaire was divided into two sections, 'A' and 'B.' In section A, respondents' personal information (sex, age, marital status, educational qualification, and number of years in service) was collected, and questions on the independent variables and on the dependent variable were asked to gain insights on the relationship between HR metrics research and organisational performance. All the items were based on a modified five-point Likert scale of Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D), and Strongly Disagree (SD). We used Cronbach's Alpha coefficient to test the reliability of the research instrument. The reliability of the information on the variables is defined by Cronbach's Alpha (α) coefficient. Cronbach's Alpha values greater than 0.70 on all variables justified the reliability of the research instrument.

4. Findings and Discussion

4.1. Respondent Demographics

Table 1: Respondents Demographics (n=100)

		Frequency	Percentage
Gender	Male	58	58
	Female	42	42
Age Range	18 – 23 yrs	12	12
	24 – 29 yrs	37	37
	30 yrs and above	51	51
Marital Status	Single	39	39
	Married	55	55

	Divorced	6	6
Educational Qualification	PhD	5	5
	Postgraduate/Master's Degree	23	23
	BSc/HND	48	48
	OND	12	12
	Diploma	7	7
	Others	5	5
Working Tenure with the Bank	Less than 5 years	41	41
	5-10 years	38	38
	11 years and above	21	21

Source: Authors' Fieldwork (2025)

4.2. Descriptive Statistics of Independent Variables
Table 2: Employee Turnover Rate (n=100)

S/N	ITEM	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean (x̄)
1	This organisation supports a healthy balance between work and personal life, making me less likely to consider leaving.	(28%)	(52%)	(14%)	(4%)	(2%)	4.00
2	The culture of this organisation fosters loyalty andreduces thoughts of resignation.	(40%)	(42%)	(13%)	(4%)	(1%)	4.16
3	This organisation invests in my professional growth, which motivates me to continue working here.	(49%)	(41%)	(8%)	(2%)	(0%)	4.37
4	I feel valued and recognised for my contributions, which influences my decision to stay in this organisation.	(41%)	(46%)	(10%)	(1%)	(2%)	4.23
5		(36%)	(49%)	(11%)	(4%)	(0%)	4.17

	I have strong and positive relationships with my colleagues, which discourage me from leaving this organisation.					
	Average	39	46	11	3	1	4.19

Source: Authors' Fieldwork (2025)

These results show very positive employee perceptions about work-life balance and organisational support and its impact on retention. Overall, 85% of the respondents (39% strongly agree, 46% agree) expressed good feelings on the five main items and scored a strong mean score of 4.19. The highest rated item "This organisation invests in my professional growth" (Mean = 4.37) indicates that career development is a big driver for retention. Conversely, "This organisation supports a healthy balance between work and personal life" scored slightly less (Mean = 4.00) indicating some areas where we need to improve work-life balance programs in our work environment. Neutral responses averaged 11%, indicating that a large proportion of employees are less happy with what we find but not all are happy, while only 4% on average were not happy with our findings. These insights reinforce the importance of organisational culture, recognition and colleague relationships in employee loyalty and reducing turnover intentions.

Table 3: Employee Engagement (n=100)

S/N	ITEM	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean ($\bar{x}$)
6	I feel a strong sense of belonging to my organisation.	(44%)	(42%)	(10%)	(4%)	(0%)	4.26
7	I take pride in representing my bank at customers and stakeholders meetings.	(48%)	(39%)	(11%)	(2%)	(0%)	4.33
8	I am committed to achieving the goals set by my team or department.	(43%)	(47%)	(9%)	(1%)	(0%)	4.32
9	I feel motivated to contribute to the success of the bank.	(47%)	(44%)	(9%)	(0%)	(0%)	4.38
10	I feel energized to complete my tasks efficiently each day.	(47%)	(43%)	(10%)	(0%)	(0%)	4.37
	Average	46	43	10	1	0	4.33

Source: Authors' Fieldwork (2025)

The results are indicative of high employee engagement and commitment within the company. The overall mean score of 4.33 indicates strong positive sentiment in all the measures. "I feel motivated to contribute to the success of the bank" was the highest (4.38) and 91% of respondents agreed or strongly agreed, suggesting high intrinsic motivation among employees. The fact that employees are proud of representing the bank (Mean = 4.33) and the feeling of belonging (Mean = 4.26) are signs of emotional attachment and identification with the organisation. Neutral responses averaged 10%, which indicates that a small percentage of employees are ambivalent and negative responses (disagree/strongly disagree) were very low (1% on average) showing overall satisfaction and commitment. This strong engagement is also good for the organisation's performance and productivity as well as for reducing turnover intentions.

Table 4: Time-to-Hire

S/N	ITEM	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean ($\bar{x}$)
11	The time taken to fill vacant positions in my department is reasonable.	(37%)	(44%)	(14%)	(5%)	(0%)	4.13
12	The hiring process in this organisation minimizes disruptions to workload and team performance.	(44%)	(39%)	(12%)	(4%)	(1%)	4.21
13	Open roles in our organisation are filled quickly enough to meet departmental demands.	(37%)	(45%)	(13%)	(5%)	(0%)	4.14
14	Delays in the recruitment process negatively impact my workload.	(41%)	(39%)	(13%)	(6%)	(1%)	4.13
15	The organisation's recruitment process effectively balances speed and quality of hire.	(41%)	(46%)	(11%)	(2%)	(0%)	4.24
	Average	40	43	13	4	0.4	4.17

Source: Authors' Fieldwork (2025)

As expected, the average mean of the responses was 4.17 and the overall level of agreement (83% agree and strongly agree) across the items means that employees are happy with the organisation's recruitment process and how effective it is in terms of performance. "The organisation's recruitment process effectively balances speed and quality of hire" was the highest mean score (4.24), showing the organisation's ability to strike a balance between

being timely and hiring as a result. Only 13 per cent of respondents were neutral on average, which might indicate that they were not actively involved in hiring decisions. While the negative response rate was 4%, there is still room for improvement in the process and in the case of occasional delays and how these affect workload as shown in the recruitment delay item (Mean = 4.13). Overall, the findings highlight a good recruitment system in place that is in sync with organisational goals and is able to achieve team performance, and thus the recruitment system is working well.

Table 5: Employee Wellbeing (n=100)

S/N	ITEM	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean (x̄)
16	I maintain a healthy balance between my professional responsibilities and personal life.	(45%)	(40%)	(13%)	(2%)	(0%)	4.28
17	The workload and deadlines in my role are manageable and do not lead to undue stress.	(39%)	(35%)	(18%)	(7%)	(1%)	4.04
18	The physical environment in my workplace is conducive to enhance my productivity	(47%)	(42%)	(10%)	(0%)	(1%)	4.34
19	My organisation provides adequate resources and support systems to help me	(45%)	(38%)	(14%)	(2%)	(1%)	4.25
20	I feel a sense of accomplishment and fulfilment in my current role.	(51%)	(36%)	(10%)	(3%)	(0%)	4.35
	Average	45	38	13	3	0.6	4.25

Source: Authors' Fieldwork (2025)

The data indicates generally positive perceptions of work-life balance and workplace well-being, with an average mean score of 4.25 that is consistent with the assessed items. The highest-rated statement "I feel a sense of accomplishment and fulfilment in my current role" (Mean = 4.35) indicates that employees enjoy great personal and professional satisfaction with work. The physical setting as well (Mean = 4.34) is highly regarded as a workplace environment that is good for productivity. Work-life balance is generally well perceived (Mean = 4.28) by most employees, with 85% saying or strongly saying yes, while 13% staying neutral meaning there is still room for improvement. The lowest mean score in the statement about manageable workload and stress (4.04) was for the statement of workload management as 8% disagreed or strongly disagreed, with some concerns about workload management. Despite these concerns, the overall atmosphere is generally good and one of positive work and job satisfaction, reflecting a supportive work environment.

Table 6: Learning and Development Initiatives (n=100)

S/N	ITEM	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean ($\bar{x}$)
21	I have access to relevant training programs that align with my job responsibilities.	(50%)	(38%)	(10%)	(2%)	(0%)	4.36
22	The training sessions I participated assisted my daily work tasks.	(50%)	(37%)	(9%)	(3%)	(1%)	4.33
23	My organisation provides regular opportunities for me to upgrade my skills always.	(43%)	(44%)	(9%)	(3%)	(1%)	4.26
24	The facilitators or trainers in my organisational programs possess adequate expertise and industry knowledge.	(43%)	(40%)	(15%)	(1%)	(1%)	4.23
25	The tools and resources provided for skill-building (e.g., e-learning platforms, workshops) are adequate.	(46%)	(41%)	(8%)	(5%)	(0%)	4.28
	Average	46	40	10	3	0.6	4.29

Source: Authors' Fieldwork (2025)

The result shows an overall average score of 4.29 on the training and development in the organisation and a high level of satisfaction with overall employee perceptions of training and development. As the highest-rated statement in the survey, "I have access to relevant training programs that align with my job responsibilities" (Mean = 4.36) suggests that employees think the training programs are well suited to their core job duties. 87% of respondents agreed or strongly agreed that training sessions help with their daily work (Mean = 4.33), validating the practical benefits of the training programs. The well-developed skill-upgrade opportunities provided (Mean = 4.26) and the competency of facilitators (Mean = 4.23) were also high on the list, but the higher neutral score (15%) on facilitator expertise indicates that there are still areas of improvement (the quality of training or the engagement of the provider). The tools and resources available to the learners (Mean = 4.28) also indicate that the training program is well-served and that the students are happy. Neutral responses were typically 10%, with little disagreement (3%) on the items and the overall response was generally very positive about the learning and development strategy in place at the organisation. This suggests that effective training programs are contributing to employee growth and can help to improve overall performance and job satisfaction.

4.3. *Descriptive Statistics of Dependent Variable*

Table 7: Organisational Performance (n=100)

S/N	ITEM	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean (x̄)
26	My bank operates in a manner that minimizes delays and ensures timely completion of tasks.	(46%)	(43%)	(8%)	(1%)	(2%)	4.32
27	The goals and objectives set by my bank are consistently met or exceeded sometimes.	(38%)	(43%)	(15%)	(4%)	(0%)	4.15
28	Our customers frequently express satisfaction with the quality of services provided by the bank.	(46%)	(42%)	(8%)	(2%)	(2%)	4.28
29	Our bank actively adopts innovative practices to improve operational processes.	(45%)	(42%)	(8%)	(4%)	(1%)	4.26
30	Our bank treats our customers as kings.	(48%)	(39%)	(11%)	(2%)	(0%)	4.33
	Average	45	42	10	3	1	4.27

Source: Authors' Fieldwork (2025)

The responses are generally positive for the bank's operational efficiency and customer service, with an average mean score of 4.27. "Our bank treats our customers as kings" (Mean = 4.33) demonstrates the strong customer-centred approach with 87% agreeing or strongly agreeing. Similarly, operational efficiency was high with 89% saying the bank reduces delays and ensures timely completion (Mean = 4.32). Employee views on meeting organisational objectives were slightly lower (Mean = 4.15) with 15% neutral responses, suggesting that there is a bit of variability in the perception of goal achievement. Innovation practices (Mean = 4.26) and customer satisfaction (Mean = 4.28) also scored well, which indicates that employees appreciate the work that the bank is doing to improve operations and customer experience. Neutral responses were reported at 10% and disagreement at 4%, indicating that the bank's operational processes and customer service are well received by employees and thus the organisation is more efficient and loyalty is high.

4.4 Research Questions and Hypotheses Testing

The research hypotheses were tested using regression analysis in order to achieve the goals of this study. The hypotheses were evaluated with an Alpha level of significance of 0.05 (Decision rule: computed level of significance <0.05, reject null hypothesis; >0.05, accept null hypothesis).

Table 8a: Model Summary of Relationship between HR metrics and Organisational Performance in Banking Sector

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	0.825[a]	0.681	0.664	0.3769	681	40.076	5	94	.000	1.997

a. Model Summary[b]
b. Predictors: (Constant), LDI, EMPE, ETR, TTH, EMPW
c.Dependent Variable: ORGP

Source: Authors' Fieldwork (2025)

Table 8b: Analysis of Variance (ANOVA) of HR Metric Analysis and Organisational Performance in Banking Sector.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.473	5	5.695	40.076	.000b
	Residual	13.357	94	.142		
	Total	41.830	99			

a. ANOVA[a]
b. Dependent Variable: ORGP
c. Predictors: (Constant), LDI, EMPE, ETR, TTH, EMPW

Source: Authors' Fieldwork (2025)

Table 8c: Regression Output of HR Metrics and Organisational Performance in Banking Sector.

Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	Std. Error	Beta		
(Constant)	.180	.331		0.544	.588
ETR	.253	.098	.223	2.574	.012
EMPE	.004	.096	.004	0.045	.964
TTH	.219	.091	.216	2.419	.017
EMPW	.012	.110	.011	0.107	.915
LDI	.507	.092	.515	5.545	.000

a. Coefficients[a]

5. Discussion and Implications

The study provides a more nuanced empirical evidence for different human resource metrics and their impact on organisational performance at First Bank Nig. Plc and shows that HR practices affect the performance of an organisation in context and strategy-relevant ways. In line with the literature on HRM and banking sector research, employee turnover rate (ETR), time-to-hire (TTH) and learning and development programs (LDI) are highly correlated with performance, while EMPE and EMPW are not. Employee turnover rate (ETR) was a very strong positive indicator for organisational performance, which means turnover at First Bank is not entirely a dysfunctional process but an orchestrated and strategic process. This finding is in line with the research of Anvari (2019) and Price (2020), who show that low turnover can actually improve organisational learning and innovation.

Agwu and Uzoamaka (2021) reported that structured turnover management prevented service disruptions and improved customer satisfaction in Nigerian banking and Olatunji (2022) found turnover rates above 25% in Nigerian banks. Being that turnover is associated with organisational performance is not always welcomed by businesses, we should be clear that a moderate turnover rate can lead to organisational renewal because the employees who are underperforming are replaced with workers who possess new skills in technology and customer skills. In the context of the rapidly changing business environment of banking with fast digital transformation, such strategic workforce turnover can enhance organisational agility and efficiency. Therefore, turnover should not be seen as a sign of organisational instability but rather the outcome of effective talent management and succession planning if it is carried out well. Time-to-hire was found to be highly correlated to organisational performance and this is why recruitment efficiency is so important in the banking industry. Organizations that can fill vacancies within reasonable time frames are able to maintain workflow continuity, minimise the workload of employees in vacant positions, and continue to provide services. In a competitive banking environment, long recruitment times can delay critical activity, put pressure on current staff and the organisation's ability to respond to customer needs. Thus, efficient recruitment times may be beneficial to the organisation as well and be beneficial for operational effectiveness as it allows for the hiring of the right

workers when necessary. This also supports Holm (2020) and Subramanian (2021) finding that shorter hiring periods lead to better workforce responsiveness and performance.

Ojo (2022) also observed that longer recruitment processes in Nigerian banks were associated with skill shortages, employee workloads and poor service quality. The present result indicates that the somewhat efficient recruitment processes reported by respondents could be related to organisational agility and competitiveness, consistent with Agunbiade (2023) on the strategic importance of timely recruitment in the financial services industry. Although EMPE had high descriptive mean scores, its regression coefficient was non-significant. By the same token, positive employee attitudes alone are not indicative of organisational performance unless there are sufficient systems in place such as leadership support, performance management, reward and autonomy in decision making. It is possible that positive engagement perceptions are a result of organisational culture or social desire, and hence the variability in the data and statistical relationship is weakened. Employee Wellbeing (EMPW) was also found to have no significant impact on organisational performance which is contrary to the growing body of empirical literature.

Zhang and Tu (2022) and Page et al. (2021) empirically link wellbeing with productivity, job satisfaction, and decreased absenteeism. Nigerian studies by Adeniji et al. (2020) and Ibrahim and Ogundeji (2021) also further suggest that banks with holistic wellbeing programs have higher levels of engagement and performance. The negligible link between employee wellbeing and organisational performance may indicate that existing wellbeing programmes are seen as welfare measures, not productivity measures. Banking employees may appreciate wellbeing programmes but not necessarily to be related to operational outcomes as measured in this study. Also, as the study was based on self-reported perceptions at one point in time, variation in the method and non-response bias may have mitigated the analysis. We found that Learning and Development Initiatives (LDI) were the most important indicator of organisational performance, and employee capability development has been shown to be beneficial to the organisation. In the banking industry, there is constantly evolving technology, regulation, and customer demand and employees need to update their skills daily. As a result, organisations that invest in the most relevant training are able to develop adaptable staff that can get better service quality, operational efficiency and innovation. This is in line with Human Capital Theory which states that knowledge and skills are strategic assets of an organisation. This study contributes to the emerging HR analytics literature by showing that HR metrics are not to be considered as important predictors of organisational performance.

In fact, HR metrics are very much different in organisation and their strategic application. Based on Human Capital Theory, the findings suggest that investments in the development of employee capabilities and skills acquisition drive better organisational performance than employee perceptions. A positive relationship between employee turnover rate and organisational performance might seem to be surprising because turnover is often a negative thing. In the banking industry, however, a moderate turnover can lead to organisational renewal by replacing underperforming employees with new technology and customer relationship skills. In this fast-paced world of digital banking, strategic workforce turnover

can help to adapt and improve the organisation at a higher level. And turnover is not necessarily a sign of organisational instability but rather is a process of talent management that happens when succession planning and recruitment is done correctly.

The time-to-hire is a big factor in organisational performance and therefore the recruitment efficiency of the banks is important. Such a scenario suggests that the organisation can fill vacancies within the right time frame to sustain workflow continuity, reduce employee workloads resulting from vacancies and provide quality service. In a competitive banking environment, long recruitment cycles would slow down the functioning of key departments, put pressure on the existing employees and will affect organisational responsiveness to customer needs. Such efficient recruitment timelines could lead to better operational efficiency by ensuring that the right people are there when required. This is consistent with Holm (2020) and Subramanian (2021) who have found that shorter waits for hire result in personnel responsiveness and performance. Similarly, in Nigerian banks, long recruitment times were associated with talent shortages, high employee load and poor service quality.

In the present analysis, the relatively efficient recruitment practices reported by respondents may be associated with increased organisational agility and competitiveness which supports Agunbiade (2023) that timely recruitment in financial services is strategic. Even though EMPE had very high descriptive mean scores, it was found that the regression coefficient was insignificant. That is, positive employee attitudes alone cannot translate into measurable organisational performance unless the organisational systems (leadership support/performance management, reward structures etc.) are in place, and decision-making autonomy is provided by the organisation. Additionally, the survey response could also have been highly favourable as it may have been a result of organisational culture or social desirability, which would have diluted the variability in the data and weakened the statistical relationship. Employee Wellbeing (EMPW) was not found to have a significant impact on organisational performance, which is contrary to the growing body of empirical literature. Zhang and Tu (2022) and Page et al. (2021) empirically connect wellbeing to productivity, job satisfaction and reduced absenteeism. Nigerian research by Adeniji et al. (2020) and Ibrahim and Ogundeji (2021) also show that banks that have a comprehensive programme of wellbeing have higher engagement and performance levels. The low relationship between employee wellbeing and organisational performance may indicate that current programmes of wellbeing are viewed as welfare measures rather than productivity-enhancing measures. Banking employees should enjoy wellbeing programmes, but they might not be tied to the results of this study. Also, our study relied on self-reported perceptions at a given point in time, and common method variance and non-response bias might have impacted the relationship. Learning and Development Initiatives (LDI) was the strongest predictor of performance of organisations in terms of employee capability development. In banking, technology change, regulatory change and customers' demands for services are always changing, and employees are constantly evolving their skills. As a result, organisations that consistently invest in relevant training will have highly trained employees who can deliver better service quality, operational efficiency and innovation. This confirms Human Capital Theory that investments in employee knowledge and skills are a strategic organisational resource.

5.1 Theoretical Contribution

In this study, we add to the rapidly growing HR analytics literature by showing that HR metrics are not the same predictive factors and should not be considered as the same as the performance of the organisation as far as managers are concerned. Consistent with Human Capital Theory, our research suggests that employee development and talent acquisition have a greater impact on organisational performance than simply the perception of the employees.

5.2 Practical Contribution

From a practical perspective, HR managers should focus on learning and development, recruitment of quality people and evidence-based workforce planning in line with HR analytics. Although employee engagement and wellbeing were not statistically significant in this study, they are nonetheless a key organisational practice that has an impact on the implementation quality and organisational context. This study advances the research on HR analytics in the Nigerian banking sector and provides empirical evidence that strategic HR metrics can influence organisational performance when integrated into evidence-based human resource decision-making.

6. Limitations and Future Research

The geographical focus of this study is placed on First Bank in Benin City, Edo State, and this may limit the generalisation of the results to other banking companies in Nigeria. Because of this limitation, we suggest that future studies should expand the scope and not be limited to one bank but to several banks in different regions of Nigeria.

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