

Original Article

Digital Technology and the Changing Nature of the Workplace on the Performance Effectiveness of the Banking Sector in Bayelsa State of Nigeria

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ABSTRACT: *This study examines the impact of digital technology on the changing nature of the workplace and its influence on performance effectiveness in the banking sector. It specifically investigates the extent of workplace digitalization, employee upskilling needs, cybersecurity challenges, data privacy concerns, and operational efficiency improvements. As the banking industry navigates technological transformation, it faces issues such as cybercrime, digital skill gaps, and customer dissatisfaction due to system failures. The study highlights the necessity of balancing digital innovation with personalized services and effective problem-solving mechanisms. The Theory of Reasoned Action (TRA) underpins the investigation by linking employee and customer intentions to behavior in the digital workplace. Recommendations include investing in cybersecurity infrastructure, enhancing staff training, and adopting customer-centric strategies to optimize digital transformation in Nigerian banks.*

KEYWORDS: *Digital workplace, Banking sector, Performance effectiveness, Cybersecurity.*

1. INTRODUCTION

The transformational nature of the shifting modern workplace has similarly reached deep into a number of industries, including banking, where digital technology has disrupted old ways even as it makes new things possible. This constant evolution has triggered a major shift in the banking workforce. Since the advent of AI, a range of digital tools – electronic banking (e-banking) facilities, mobile phones, ATM cards and point-of-sale (POS) systems have been implemented in banking activities. Due to these advancements, conventional banking systems are making room for electronic solutions and digital technology. According to Hazarika (2020), digitalization is the process of transforming information into digital formats with the aim of generating more income and better prospects to increase value. This digital transition has been driven in large part by the proliferation of smartphones and the advent of high-speed internet networks (3G and 4G) (Meena et al., 2020).

With advancements in automation and artificial intelligence, customers may now make purchases all around the world using their cellphones for contemporary business transactions. In the banking industry, digital transformation has two purposes: first, it opens up new avenues for service delivery through online platforms like e-banking and virtual banking; second, it creates physical service points like e-branch outlets and point-of-sale systems. Additionally, it aids in cutting operational expenses by reducing the necessity for a large number of physical branches and employees (Kitsios et al., 2021). Digital transformation is defined by Kitsios et al. (2021) as an approach to improving businesses via structural changes brought about by the combination of information, communication, connection, and IT. Everything about running a company in the modern digital era revolves around data management. The way companies store, access, and use their data to accomplish goals in the global market is fundamental to digitalization. It is becoming more and more important for the banking sector to adopt these advances as technology keeps advancing.

A key component of every successful workplace is organizational performance, which helps companies achieve their goals by increasing staff efficiency, which in turn increases customer satisfaction via better interactions between employees and customers and more efficient processes. Performance efficiency is assessed based on employee outcomes, client satisfaction, productivity, error rate and profitability in the banking sector. According to Isiaka et al. (2015), performance is made up of results, as well as the behaviors, attitudes, and processes that employees engage in to meet their work objectives. Based on the findings of Isiaka et al. (2015), this process involves generating credible, feasible and viable goals and resources for the firm. According to us, people's performance is determined by the capacity of workers to reach their goals inside a digitalised environment based on the quality and efficiency of services provided to clients in the banking industry.

Performance efficiency in the Nigerian banking industry is conceptualized as how much an organization's objectives are achieved in light of profitability measures such as ROA, ROE, NIM, Loan quality and customer retention and efficiency ratios (Eboh et al., 2017). The ultimately goals of performance are to accomplish organizational goals, enhance profits, increase

productivity and wages for workers. All these contribute to the higher quality service that satisfies customers. Based on a previous study by Abduleen et al. (2023), workers engaged in digitalized tasks seem to be more satisfied with their schedules and pay situation. Incentives work, and happy workers are better workers. The ability to meet basic needs, such as the flow of money, can significantly influence behavior and performance outcomes (Maslow, 1943). The motivation is the need to fulfill them.

Through e-banking, online record-keeping, digital signature platforms and electronic statements (all thanks to the concept of digital transformation), banks have now been able to shift over to digital workplaces that make performance more effective. It's imperative to grasp the impact of technological advancements on personnel efficiency, customer satisfaction and bottom-line corporate performance as these innovations disrupt archaic bank practices. This study seeks to provide useful knowledge on the developing banking industry in Bayelsa State, Nigeria and would contribute to understanding the challenges and opportunities of digital technology.

1.1. STATEMENT OF THE PROBLEM

Examining the effect of digital transformation and workforce dynamics on performance effectiveness is becoming increasingly important, especially in the banking industry, where major digitization is taking place. Although technology joining the banking industry brings a lot of promise to efficiency and co-operation, it also leads to many concerns, particularly with cybersecurity. "Banks are more and more prone to cyber threats like data breaches, phishing emails or financial fraud because they do business online. It is not easy to keep up with these constantly evolving technical requirements, and the staff have to make ongoing investments of their time in order to remain capable. It is also essential to have stringent data privacy practices in place for compliance reasons, as well as consumer trust (especially for banks which hold vast amounts of client data). Poorly handled digital workplace automation and time-saving procedures can also lead to a reduction in customer satisfaction. The banking industry has to look for ways to solve these issues if it wants a digital workplace that delivers the optimal value and minimises risks, but sets forth a higher level of performance in the long run.

1.2. OBJECTIVES OF THE STUDY

The main objective of the study is to examine the impact of digital technology impact on the changing nature of the workplace on performance effectiveness.

Specific objectives include:

1. Determine the extent of a digitalized workplace and employee up-skilling needs on banking professional performance effectiveness.
2. Examine the extent of digital technology on cybersecurity challenges that pose threats to banks' operations and customers' satisfaction.
3. Know how data privacy impacts job satisfaction as banks accumulate vast amounts of customer data, as privacy measures become crucial for the maintenance of customers' trust.
4. Ascertain the extent of digital technology on operational efficiency within the banking sector, on the use of automation and time savings.

2. LITERATURE REVIEW

2.1. CONCEPTUAL FRAMEWORK

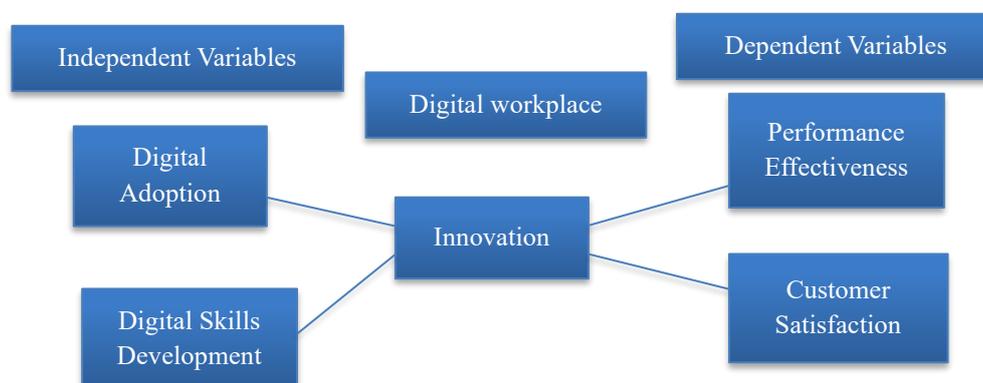


FIGURE 1 Conceptual framework on digital technology

Source: Adapted from Siachou et al. (2020)

2.2. DIGITAL ADOPTION

Adopting efficient tactics and utilizing technology tools to optimize operations, raise staff productivity, and improve customer experience has become crucial in the digitalized workplace of commercial banks in Nigeria. Customers now have easier access

to a variety of services, including account management, money transfers, bill payments, and loan processing, thanks to digital banking platforms, which include web portals and mobile applications. These advancements have an immediate impact on the efficiency and efficacy of banking sector's functioning. Ho & Malick (2010, p. 44) refer to US research that is now over 20 years old, suggesting that cost reduction through IT-integrated service delivery has increased revenue. And while money spent on information technology could make the banks run more efficiently, they also added that competition among some of those same banks might get even hotter. Banks are continuously forced to keep up with developments in the economic environment, data proliferation and technology (Halasah et al., 2021). (Huang and Wang, 2020; Yasmin et al., 2020; Chen et al., 2022). Some scholars have argued that digital technologies have a positive impact on the firm's performance and market valuation.

2.3. ENHANCEMENT OF DIGITAL COMPETENCIES

For the adoption of digital technologies, we need training, as it is meant to provide individuals and businesses with knowledge and tools to use these new digital technologies in their redesigned work processes. As per Hunnur (2022), training leads to enhanced performance from employees and makes them intrinsically motivated to perform better. Public sector productivity could do with help from a more trained and developed workforce, as observed by Fajebe (2019), who posits that most workers in government lack the skills to move the nation forward. Adegbite (2019) further emphasizes that the world labor market is never at rest, and this presents new challenges to HR practices and, likewise, necessitates continuous professional development and capacity building.

2.4. DIGITAL TECHNOLOGY ADOPTION AND LABOUR SATISFACTION

Higher use of technology in the workplace is strongly associated with greater job satisfaction among workers. To support individuals in developing confidence in managing work-life issues, the role of psychological elements such as job insecurity, role perception, and self-efficacy is noted by Aramide (2019). There is a strong relationship between job happiness and better performance, as evidenced by Abdeen (2023) finding that digital connectedness relates positively to job The Human Side of Organizations: Issues in Motivation and Leadership performance. A competent and knowledgeable workforce can perform well in a digital workplace (Hunnur, 2022). Additionally, as Ohiani (2021) also notes, the e-banking business in Nigeria has not scratched its full potential. Workers are more satisfied in their work when they have opportunities to upskill and participate in digital training. Workers are already highly motivated and satisfied with their jobs, but digital adoption provides even greater autonomy and flexibility on the job.

2.5. EFFECTIVE UTILIZATION OF DIGITAL TOOLS AND ITS EFFECT ON PERFORMANCE

The digital technology has affected employee performance in the banking sector in different dimensions, including efficiency, productivity and client satisfaction. In a world where the amount of data is exponentially increasing and competitive economic pressures are constantly rising, technology is necessary (Halasah et al., 2021). While investments in information technology do enhance banking operations, Ho & Malick (2010) noted that these same expenditures also increase competitive tensions among banks. According to Zhai et al. (2022), banks may boost their business performance by serving several consumer groups simultaneously through digital transformation. As per Do et al. (2022), the main goals of digital transformation in the financial services industry are to keep up with customers' changing expectations, make the market more transparent, and cater to customers' different demands. In addition, digital banking empowers clients by offering them more advanced service alternatives and increases personnel productivity and professionalism (Bahl et al., 2022).

3. THEORETICAL FRAMEWORK

The connection between people's attitudes and their actions may be better understood with the help of the Theory of Reasoned Action (TRA). It takes into account people's current views and behavioural intentions to make predictions about their likely behavior, with decisions impacted by the results that are expected. Based on prior work in social psychology, models of persuasion, and attitude theories, the hypothesis was developed by Fishbein and Ajzen (1967). A link between employee attitudes and actions in the workplace was discovered by Fishbein's study; this is known as the A-B relationship. But sceptics said that attitude theories weren't enough to forecast people's actions. Later on, Fishbein and Ajzen developed and refined TRA into TPB and RAA to cover these bases and fix TRA's flaws. Organizational communication studies now also use the idea to study employee actions on the job.

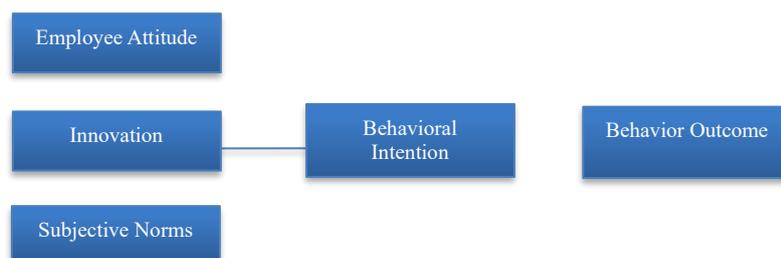


FIGURE 2 Theoretical framework

Source: Theory of reasoned action, adapted from Fishbein and Ajzen (1967)

An individual's behavior is best analyzed through the application of the Theory of Reasoned Action (TRA), which pursues exactly that: an investigation into what we believe to be reasons for acting in a particular way. Such models describe how people's intentions to perform certain behaviors, such as the use and adoption of new technology, are at the core of guiding their behavior. Fishbein and Ajzen's (1980) TRA has served as a fundamental model across different disciplines and has been the basis for many technology adoption studies. According to the theory of reasoned action (TRA), intention is the primary determinant as to whether a behaviour occurs or not, but societal norms (the normative perspective) are also influential. It is the belief of an individual about what will happen if he acts, which predicts his probability of engaging in such behaviour. This is according to Fishbein and Ajzen (1967), who posited that it is intention that precedes behaviour. Attitudes, as reported for the behavior and subjective norms, a proxy of perceived social pressure, affect behavioral intention in a business context, especially when introducing new technology.

Further, in the process, according to Fishbein and Ajzen (1975–1980), with a higher strength of the intention, the probability of a behavior's performance is now greater, thus more effort is made to perform this activity. Careful intentions, though, are a double-edged sword their effects can be helpful or harmful, depending on the circumstances. The TRA's predictions regarding multidimensionality of decision-making in relation to ICT adoption (i.e., that people could hold two contradictory beliefs about the same object or behavior at once) have been substantiated by prior studies (Fishbein & Ajzen, 2000).

4. EMPIRICAL REVIEW

The relationship between technological advancement and the organizational performance of deposit banks in Yenagoa, Bayelsa State, was assessed by Atimi-Yousuo (2023). The study focused on how the state's commercial banks were impacted, financially and operationally, by various technology developments. The survey study method was used to collect the data from 100 respondents randomly selected across fifteen commercial banks in Bayelsa State. Non-parametric Spearman rank-order correlation coefficient (rs) was calculated and analyzed. The study revealed that both the operating and financial performance of these institutions are moderately and weakly related to technology use. The use of technology is a key factor in enhancing operational effectiveness and financial performance, the report said. The solution for commercial banks was to adopt new technology and methods of transaction if they were to increase profit, improve services and make customers happy.

In a related study, Kadur and Rajshekar (2022) have investigated the impact of digital transformation on employees in the banking industry. *Is Employee Engagement Affected By Omnichannel Services?* The researchers examined the impact of omnichannel services and digital transformation on employee engagement, operational processes and procedures that engage with customers. In today's customer-led financial world, bank processes are outdated, they indicated. Banks save operational costs by not having a physical presence but providing services to places which can be remote due to digital transformation.

A corresponding trend was adopted by Ohiani (2021) in their study on "Technology Innovation in the Nigerian Banking System: Prospects and Challenges," using secondary data sources from the official reports of CBN, NDIC for the years 2013-2017; and primary data sources via questionnaires distributed to bank customers who were users of banks on Lagos Island. The purpose of this study was to determine the risk attitude of Nigerian banks and their customers toward e-banking service adoption. It was based on both Prospect theory and the Theory of Reasoned Action (TRA). Although cyber fraud has risen as transactions have gone from paper to digital, there does not appear to be a correlation between mobile banking and the incidence of fraud, according to the findings. Implications The findings of the study identify key research opportunities into adoption dynamics, service quality and customer perceptions towards online banking cybercrime, which would contribute to the greater understanding of these areas and their impact upon other relevant factors.

Assessing the acceptance of e-services in Greece, Kitsios et al. (2021) conducted a study on digital transformation and strategic adaptation in banking. The survey considered motivations banks have for digital transformation, such as the need to reach more customers, differentiate themselves from competitors and cut operational expenses. And it recognized that digital transformation is a process that affects the way internal processes are executed as well as how an organization moves to market. Based on the Technology Acceptance Model (TAM), the respondents of 161 Greek bank employees were surveyed, and multivariate regression was conducted. The findings drew attention to workers' attitudes toward new tech and highlighted the necessity of personalised training programmes in preparing them for the information age. According to the findings of the study, bank management can leverage TAM to comprehend properly the concerns regarding preparing staff for digital assimilation.

Finally, Hazarika (2020) examined the effects of digitization on banking sector employment. Digitalisation is a journey by which corporate activities are taken online so that more money can be made and the overall value of a company can be increased, the survey finds. Its primary importance in improving bank customer service was emphasized. Even though both officers and clerks made positive contributions to operational profitability, it was shown that the work level of clerical workers had decreased due to a shift in the use of digital tools, as their involvement was diminished in a digitalized working environment. The source of data for the study was Indian scheduled commercial banks and was analyzed by the Ordinary Least Squares (OLS) method. This transformation is an example of the way digitization has changed banking jobs.

5. ISSUES AND GAPS

In fact, the modern Cubicle world has been profoundly influenced by the dynamic ecosystem of digital tools. This technology shift enhances operational efficiency by enabling remote work, providing more flexibility, enhancing employee performance and reducing manual errors. It also promotes collaboration between employees by letting them access a range of digital resources. The growing potential threat of cybercrime and the wider need to continuously upskill staff are just two of many challenges these innovations present for banking. Because of this, financial institutions have to be proactive about addressing these worries before they take a toll on efficiency and customer satisfaction.

Mobile banking application, e-transfers, online payment platforms, ATM/CDM machines, the use of credit as well as debit cards and many others are some creative banking channels where customers can also perform financial services anytime and anywhere (Meena et al.). Increasing customer satisfaction is a primary objective for these enhancements. But network blips between transactions, especially for fund transfers, remain a significant challenge to client satisfaction. This often compels the customer to look at the offline mode of cash deposit and carries out an unnecessarily prolonged process of reversal, for which banks should take steps to remove technical glitches. It is therefore very important to have efficient procedures in place for the resolution of issues.

Although the potential for Nigeria's e-banking market is immense, some customers ordinarily prefer to transact with a teller rather than via an ICT channel (Ohiani, 2021). In a digitalised banking environment, serving diverse consumer needs calls for a balance of digital innovation and personalised customer engagement.

Data breaches, phishing attacks and other forms of cyber-villainy like the recent Yahoo hack are on the rise and represent a serious threat to internet security. He said banks need to continue investing in cybersecurity systems to protect data and keep financial transactions secure. Cybercrimes in general are a source of worry to customers, and this is especially true for e-banking (Ohiani, 2021). Digital-savvy employees within the bank could be best positioned to help consumers resolve transactional issues and reduce the need for in-person encounters. There is a strong call for new talent in all sectors, which includes banking, as reported by Fitzgerald, Kruschwitz, Bonnet and Welch (2014) as well as Meena et al. (2020).

Customer confidence may suffer due to the negative image created around digital banking services by these continued woes in the banking sector. In addition, according to Fishbein and Ajzen's (1975) Theory of Reasoned Action (TRA), an attitude towards the behaviour itself, as well as subjective norms about how others desire it to be performed, affects one's intention to perform it. The behavioural intention of bank customers is reflected in their willingness to learn and apply the usage instructions of the e-banking systems. To make consumers believe in digital banking transactions, it is essential that concerns about cybercrimes are addressed.

6. CONCLUSION

Adoption of digital tools and technologies has led to improvements in banks' operational efficiencies and employee performance in customer service. This, in fact, has positively impacted performance effectiveness in the banking sector. Despite all these benefits, the banking sector faces some challenges, such as cybersecurity risks, regulatory compliance, and organisational change management if not properly addressed. Digital adoption is beyond its usage; it embraces digital transformation focused on future growth, resilience, and sustainability in the banking sector and society. By fostering a supportive workplace culture and addressing the emerging challenges, banks can possibly position themselves for a successful digital age in Nigeria.

7. RECOMMENDATIONS

From the study, it is obvious that security measures on banking services are an issue. It is with this intent that the study recommends investing in advanced security audits and providing comprehensive training on cyber security best practices, services that enhance cyber security protocols, and data protection measures, strictly for bank staff, to mitigate the risks associated with e-banking.

Banks should be customer-centered, by having a strong emphasis on understanding customer needs, preference, and their behavior on digital technology usage. Customer needs are of diverse forms, with their level of digital knowledge. This deserves to design protocols on problem-solving solutions and services with a customer-focused approach, leveraging data analytics and customer feedback to drive continuous improvement in customer satisfaction.

Implementing some form of critical rethinking to tackle digital fraudulent acts as technology advances, with the level of cyber-attacks on the increase, banks can improve their performance in the digital age, drive innovation, and maintain a competitive edge in the banking sector.

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