LEADERSHIP SUCCESSION, ORGANIZATIONAL CLIMATE, TRUST AND INDIVIDUAL PERFORMANCE IN NIGERIAN COMMERCIAL BANKS

ABDULKADIR MUSA BADARA

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By

ABDULKADIR MUSA BADARA

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ABSTRACT

The objective of this study was to examine the relationship between leadership succession, organizational climate and individual performance in the Nigerian commercial banks. Primarily, this study explored the moderating effect of trust on the relationship between leadership succession, dimensions of organizational climate (i.e. quality, integration, and well-being) and individual performance that comprises of adaptive, task, and contextual performance. Stratified random sampling was used in which samples were drawn from six geographical zones of Nigeria (i.e. Lagos, Delta, Abia, Abuja, Kano, and Bauchi). Data was collected through the self-administrated method by sending questionnaires to 600 commercial bank branch managers within the six geographical zones selected. A total of 84 items were used in the questionnaire to examine all the variables illustrated in the theoretical framework. All the instruments were adapted from past literature. The statistical package for social science (SPSS) version 20.0 was used to test the hypotheses. The results provided support for some of the hypothesized relationships for the study. Specifically, leadership succession was positively related to adaptive performance but negatively related to task performance. Additionally, integration was also positively related to adaptive performance but negatively related to task performance. Furthermore, the results of the moderating effect of trust indicated that four out of the twelve hypotheses were moderated. Therefore, the significant positive influence of leadership succession, quality, integration and well-being suggest that the variables are important in motivating individual performance. As such, employees should be encouraged to exhibit these behaviors to enhance the performance of the organization. Finally, the contribution, limitations, and implications of the study are discussed.

Keywords: leadership succession, organizational climate, individual performance, trust, commercial banks.

Kata kunci: penggantian kepimpinan, suasana organisasi, prestasi individu, amanah, bank-bank komersial.
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## Abbreviations

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<tr>
<td>SPSS</td>
<td>Statistical Package For Social Sciences</td>
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<td>IP</td>
<td>Individual performance</td>
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<td>AP</td>
<td>Adaptive performance</td>
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<td>TP</td>
<td>Task performance</td>
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<td>CP</td>
<td>Contextual performance</td>
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<td>IG</td>
<td>Integration</td>
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<td>QT</td>
<td>Quality</td>
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<td>WB</td>
<td>Wellbeing</td>
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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Individual performance refers to as the level of individual contribution to the development effort as captured by the number of defects fixed by individuals in an organization (Ehrlich & Cataldo, 2012). Individual performance is the degree to which individual achieve their goals and objectives in an organization through hard work (Pugh, 1991). Campbell (1990) defined individual performance as behaviors or activities that are linked to the rules and regulations of the organization.

Therefore, individual performance refers to performance of employees in an organization so as to achieve the aims and objective of the organization. Individual employees are also expected to be more strongly committed to those tasks for which they perceive stronger performance-outcome possibilities, or in other word hold greater instrumentality perceptions (Kanfer & Ackerman, 1989; Naylor, Pritchard & Ilgen, 1980; Vroom, 1964).

Individual performance has long been considered as one of the key factors that can lead to the growth and development of any organization (Judge & Ferris, 1993). Nevertheless, individual employees contribute to the growth and development of an organization, most especially individuals who are highly resourceful (Mollick, 2012). Similarly, employees who have experience and knowledge, which have been attained
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