



## PROCEDURAL JUSTICE AND EMPLOYEE LOYALTY OF DEPOSIT MONEY BANKS IN PORT HARCOURT, NIGERIA

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### ABSTRACT

The study examined the relationship between procedural justice and employee loyalty of Deposit Money Banks in Port Harcourt, Nigeria. The study adopted a cross-sectional survey research design. Primary data was collated using structured questionnaire. The population of the study was population of one thousand four hundred (1400) across the twenty one (21) Deposit Money Banks in Port Harcourt, Nigeria. The reliability of the instrument was achieved by the use of the Cronbach Alpha Coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The result of the findings revealed that there is a significant relationship between procedural justice and employee loyalty of Deposit Money Banks in Port Harcourt, Nigeria. The study thus concluded that procedural justice significantly influences employee loyalty of Deposit Money Banks in Port Harcourt, Nigeria. The study thus recommends that Deposit Money Banks managers should first improve the procedural justice and hence increase overall levels of perceived justice by involving employees in the procedures used in making decisions and allocating rewards. Procedural justice can be fostered further through employee involvement which gives them a voice during a decision-making process, influence over the outcome or by adherence to fair process criteria.

**Keywords: Procedural Justice, Employee Loyalty, Deposit Money Banks**

### INTRODUCTION

Firms have external, connected and internal stakeholders; the point to which these stakeholders show loyalty varies. Gaining the loyalty of internal stakeholders (especially employees) is vital to profit and non-profit organizations alike. Singer (1993) clearly identified the employee as having great worth amongst all the stakeholders in any organizational set-up. The recognition of the value of their individual and family life; on one hand, could be linked to a sound justice system, while fashioning an enabling environment which provides openings for personal growth and would lead to loyalty of the employee in such firms. In essence, organizational survival, advancement and viability are actualized when key elements like justice and loyalty drives such firm from where it is to where it anticipates being. Greenberg (1990) opined that when structural processes, policies, procedures, strategies and the actions of management are alleged to be biased and/or partial, the employees that are affected tend to notice moods of aggravation, irritation, outrage and bitterness thereby act rebellious to such a firm. Fang (2000) argued that justice within the firm is significant as it plays contributory role(s) in affecting the performance of the workforce and those employees who are satisfied from sound justice system within the firm performs greater than those that are less satisfied. In other to have the workforce fulfilled, dedicated, loyal, and engaged to the firm; the firm has to be impartial all the time. It is true that employees crave for impartiality and justice which result in determining adequate reward and make them devoted to their responsibilities and the firm. When this happens, they feel the need to respond positive behaviour; hence they show loyalty.

Little wonder, Greenberg (1990) argued that justice within the firm has numerous outcomes on the employees' insight ranging from the way the chronological steps and procedures(s) are tailored and trailed in a firm to a decision taken in a firm. The need for a comprehensive justice plan within the firm is assumed to be a fundamental aspect of any social firm which tends to motivate productive positive behaviour(s) among individuals within the firm. This is why Elovainio, Bos, Linnad, Kivimaki, Ala-Mursula, Pentti, and Vahtera (2005) revealed that employees' insight of equality and impartiality in any organizational settings tends to represents sound justice within the firm which will end in increased productive capabilities. It influences their attitude, behaviour and the overall performance of such firms as it goes to demonstrate in what way the individuals under the employ of the firm are interacted agreeably with. Equity principle, being also an indication of justice theory, tends to explain rational satisfaction in terms

of insight of the circulation of a firm's resources to all concerned. Greenberg (1997) suggested that justice within the firm is taken to mean the insight of the entities under the employ of the firm about fair treatment in such a firm. Its elements viz: distributive procedural and interactional justice has become salient issue(s) and regularly explored topic(s) in the area of human resource management, industrial and organizational psychology (Fang, 2000).

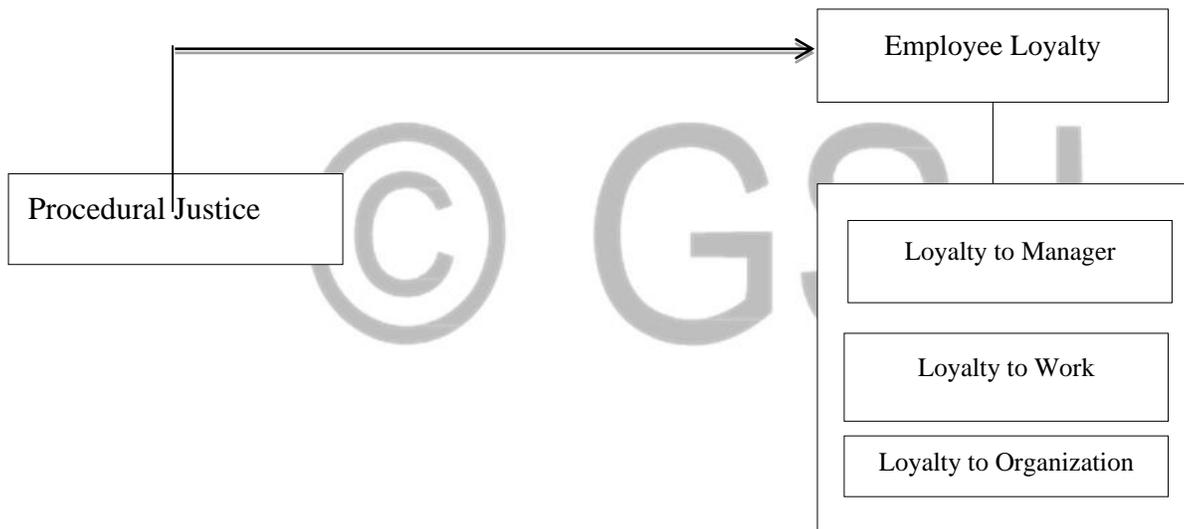
Conversely, firms tend to require workforce that are loyal, devoted, and allegiant to their job in an attempt to attract increased loyal customer base. Loyalty of the employee manifest to the client(s) and it is almost un-achievable to engender loyal customers (clients) without employees that are loyal to such a firm (Rishipal & Manish, 2013). In essence, employee loyalty is distinctive by the advantage of which the employee who is loyal have trust, confidence and conviction towards the firm and this allegiance is shown by the way the employee(s) contributes their time, energy (vigor), experience, expertise or professional knowledge, abilities, skills and take practical actions for the actual and effectual realization of the ideas of the firm when necessary.

Employees who are devoted, keen and passionate will show pledge in their responsibilities and render services of finest value at every opening this is because superior customer orientation will engender increased patronage from the customer(s), which is pivot in the survival and eventual growth of the firm. Rishipal and Manish (2013) affirmed that an affiliation may exist between the way a member of the firm is faithful, true, and committed and the part they play in the overall performance of the firm. Most importantly, an employee who is loyal and committed would be solidly giving their undoubted support to the firm in whatever situation as compared to a worker who is disloyal, and unfaithful. Business firms now pursue the approach of becoming items of loyalty for their owners, employers, host communities, society, strategic allies, and customer in an attempt to attain stated objectives. employee loyalty signifies how an employee adapt to the plans guidelines, actions, and progressions of the firm and its stated objectives, and are willing to remain with such firms at all costs. The overall attitude of employees to the survival, growth, and longevity of the firm can bring positive behavioural elements of loyalty such as; loyalty towards manager, loyalty towards work, loyalty towards organization (Wan, 2013). This study

therefore examined the relationship between procedural justice and employee loyalty of Deposit Money Banks in Port Harcourt, Nigeria.

Furthermore, this study was also guided by the following research questions:

- i. What is the relationship between procedural justice and employee loyalty towards manager of Deposit Money Banks in Port Harcourt, Rivers State?
- ii. What is the relationship between procedural justice and employee loyalty towards work of Deposit Money Banks in Port Harcourt, Rivers State?
- iii. What is the relationship between procedural justice and employee loyalty towards the organization of Deposit Money Banks in Port Harcourt, Rivers State?



*Fig.1 Conceptual framework for the relationship between procedural justice and employee loyalty*

*Source: Author's Desk Research, 2019*

## LITERATURE REVIEW

### Theoretical Foundation

#### Equity Theory

Adams' equity theory (Adams, 1965) can be described as a model of motivation that explains how individuals strive for fairness and justice in their relationships and social exchanges. This theory proposes that perceived equity as well as perceived inequity have consequences and can be considered as motivational forces. The conditions that are necessary to produce equity or inequity are based primarily on perceptions, experiences and interpretations of events or situations. The employee's assessment of their ratio of inputs to outcomes becomes a process of social comparison in which each employee compares his or her inputs and outcomes to those of another employee (Weller, 1995). Adams (1965) describes this other person as the 'comparison other' which serves as a criterion or premise upon which assertions of injustice or justice is justified

According to Al-Zawahreh and AlMadi (2012), the equity theory is being increasingly adopted by human resource departments due to how it ensures outcomes and exchanges are fair. Equity is a major issue for Institutions, governments, labour, and industries. In any given situation, the equity theory is applicable especially given that there is usually a form of exchange; for instance, between couples, teammates, or employer and employee. In these different situations, feelings of inequity may occur. Significantly, how employees perceive transactions between them and employers may not always be in economic terms (e.g. distributive) but sometimes involves relative justice forms such as procedural or interactional justice. In certain cases, employees expect to be treated equally when compared to those of equal rank, particularly in terms of pay and recognition (Al-Zawahreh & Al-Madi, 2012).

Bell and Martin (2012) observed that feelings of inequity often led to employees adjusting how they work, which also impacts on their levels of engagement in their work. For example, when an employee perceives to be earning less than he should, there is every tendency for him or her to feel cheated or slighted and which in most cases may impact negatively on his level of engagement in work. The other option may be to negotiate with the employer in order to match work output with reward, or as a last resort leave employment altogether. Bell and Martin (2012) point out that many organizational leaders have little idea how to communicate with employees undergoing feelings of inequity thus leading to further degenerating effects on the relationship between the parties. According to Hofmans (2012), equity theory considers organizational justice

as a strong predictor of positive employee behaviour and as such a strong antecedent of employee engagement.

### **Procedural Justice**

This takes into consideration the step-by-step arrangement in which outcomes are circulated, but not precisely to the outcomes in itself. It was held that procedural justice establishes certain codes by clearly stipulating and guiding the actions of participants within the process of making decision in the firm (Cropanzano, Prehar & Chen, 2002). Researchers, prior to this time had already commenced an experimental investigation of procedural justice in firms. Justice, from this standpoint, is well-defined in terms of fair chronological steps; in essence, however, objective decisions are those that result from impartial procedures. Thus, it puts into play; the steps that are taken to manage disputes within the firm when dealing with conflict situations. Dailey and Kirk (1992) explored and reported that the employees are not just seeking for favourable decisional outcomes; but would want to expect impartial and fair procedures in decision negotiation process and how such consequence of such decisions would affect all the participants of the firm. Greenberg (2001) explored several contextual factors influencing the insights of justice system within the firm, found that: (1), certain apprehensions about justice will tend to be activated when employees received undesirable and unfavourable consequences. (2), the steps taken to ensure conclusions about fairness in the system was most likely to happen if there are some functional employer and employee relationships were in a form of instability. (3), because organizational resources will not always be sufficient, self-serving insights of justice will tend to suffice. (4), concerns about justice existed more, and tend to ascend between connections having dissimilar levels of influence and control than between those for whom are of the same level. The conclusions of the study conducted by Poole (2007) supports the notion that hierarchical structures that create super ordinate-minor relationships inevitably are challenging from the standpoints and positions of justice system in the firm.

### **Employee Loyalty**

The attitudes of employee towards the firm can give birth to the behavioural elements of devotion. When an employee who has developed warmth towards the firm he or she is working for; it's more likely to establish and maintain devoted behaviour and work towards achieving the immediate and overall objective(s) of the firm, such as enhanced productivity, better

effectiveness and an improved service delivery to customers and investors alike (Wan, 2013). Rishipal and Manish (2013) noted that loyalty reveals devotion, dedication, closeness and faithfulness towards a phenomenon, an entity or a business firm. In this view, loyalty within the setting of firms connotes the faithfulness, devoutness and devotion to its internal, connected, and external participants such as the ultimate customer, suppliers, employees, strategic allies, stockholders, shareholders and the host community towards the firm because different stakeholders of the firm are devoted to the firm at different levels or degrees. It is without doubt, that the long-term success of any firm depends deeply on the calibre of individuals that serve (work) as its employees, and the level to which they are keen to the firm. When an employee is faithful or devoted to the firm, this alone shows that he or she can be an incredible asset to a growth and development of the firm.

Wan (2013) clearly pointed out that researchers at the University of Delaware recognized that the workforces are more devoted, committed, and dedicated, and are more willing and probable to work tougher and better if they feel or observe that their efforts are appreciated and treasured and the business firm cares for them if the need arises. Research revealed the following are the core drivers of employee loyalty in the firm which are; participating in goal setting; performance feedback; supportive communications system with immediate supervisors and management staff; impartiality in routine assessments; objective procedures and measures of routine; adequate pay, welfare, rewards and compensation; quality of supervisory authority; favorable developmental openings and clearly stated guidelines defining suitable work behaviour and demands. For the drive of this work however, employee loyalty is the range at which the employee is devoted, dedicated, and keen to the firm, having feelings that stem like a bond, closeness, inclusion, care, concern and devotion towards it. Thus; it is typical of a worker that is loyal to have trust and dedication towards the firm and this tends to be observed when the employee by contributes maximally their energy, abilities, knowledge, time, skill and effort for the realization of stated objective (Rishipal & Manish, 2013).

Wan (2013) noted that the loyalty of an employee is seen as a psychological connection to the firm and is instinctive out of increase satisfaction and fulfilment on the part of the employee. This satisfaction and fulfilment may result from a method of series of internal assessment

regarding the expectancy level seemingly by the employee to have been met or seen to have been exceeded, then satisfaction and fulfilment increases at a very high rate. The loyalty of the employee may then grow into a widespread emotional attitude towards the firm and/or firm. Put differently, a more satisfied and fulfilled employee is regarding their work environment as warm, and the more likely they will grow a sense of belonging and pledge towards the firm in the long-run. As stated earlier; the settings of the may have dissimilar stakeholders internal, connected, and external interest groups, the course and extent of the loyalty of these respective allies are dissimilar.

### **Loyalty towards Manager**

By tradition, employee loyalty meant the capability to remain devoted to a firm as a member of such a firm. Established by this idea; the loyalty of the employee could be viewed as the lent of time one work and add to the advancement of the firm (Silvestro, 2002). Findings tends to shows that employee loyalty is becoming a central concern as employers now tend to seek the pledge of employees and empower them as they exercise their will in the interests of the manager and the firms at large (Tsui *et al.*, 1995). Katzenbach and Smith (1993) opined that effective managers develop strong commitment with employees to a common approach, that is to how they will work together to accomplish their purpose. It may be inferred that employees with a high loyalty towards the manager may stay longer with the firm (West, 1990). It's equally interesting to note that loyalty to the manager may also result in employees staying longer than the employees that are not loyal to the manager (West & Wallace, 1991). This is why some managers tend promote employee alignment to self and they are more comfortable working with such employees as such employees also imitate the style of the manager. This falls under a continuum – employees who see the manager as a role model and are greatly aligned, to employees who are greatly aligned with the firm (McGrath, 1991). And at times the manager may not even be a role model but the alignment does exist. This manifest as complete loyalty – whatever the manage says is the best viewpoint without being challenged by the employee – a situation of a completely compliant behaviour. Manager-employee interaction processes with regards to loyalty reflects the degree to which manager and workforce engage in exchanging facts, learning, inspiring, and negotiating (McGrath, 1991). Jackson (1996) revealed that manager-employee relationship establishes the basic precondition for effective collaboration between them (McGrath, 1991) because it appears that the more the manager relates or interacts

with the employees, the more employees are inspired and devoted and resolute to the idea and task of the firm and hence add to the accomplishments of the manager in achieving his objectives that will bring about the attainment of corporate goals (West, 1990).

Ancona and Caldwell (1992) found that a manager enlist a new member into a functional area in an firm, general interaction between them may increase intensely in that area as the entrepreneurial leader-manager do not carry only various knowledge and standpoints of the firm, but intense evidence also dissimilar expressions, reasoning patterns, and styles (West, 1990) hence, as the manager accepts wider sources of information, the miscellaneous perspectives will seemingly increases manager-employee learning and loyalty as they interact with one another. An employee loyal to his/her manager will always have a larger organizational interest foremost in his observance – as he will no doubt be aligned to the manager for the role relationship and not be a blind follower at a particular level (West, 1990).

### **Loyalty towards Work**

Roehling, Roehling and Moen (2001) while understudying the importance of the faithfulness, devotion and loyalty of the employee, opined that employee loyalty has become increasingly salient, and employers are accordingly, penetrating into different areas and employing diverse approaches to promote loyalty within the workplace. Reichheld (2003) maintained that the willingness, readiness, and inclination of an employee to devote, invest, and capitalize on their abilities, skills and knowledge as a form of sacrifice for the firm to strengthen a relationship may be seen as loyalty on the part of that employee.

Thus, the loyalty of the staff is considered by the intent to want to engage, involve and get occupied by with the activities of the corporation in at all times, which tend to plays an optimistic and encouraging part in search, development, and retention of employees of that organizational set-up. An individual under the employ of such a firm who tends to demonstrates loyalty toward their work may put all that is within them to enhance the routine of the firm in which they earn a living. Morin (2004) suggested that work is central to business and firms alike as it tends to be very important for a verse bulk of individuals seeing the time that these individuals tend to dedicate to work in their lives, the several purposes which it undertakes for them, and the fact that work is directly connected with other vital facets of their life e.g.

household, leisure, belief, communal life, and emotions such as faithfulness, devotion, and loyalty.

Morin (2004) stressed the fact that the concept of work has several description, meaning, and descriptions as they share the idea of a focused organizational activity that is geared towards achieving stated organizational objectives. Several human resource professional have argued that the implementation of elastic work arrangement, child care assistance, leave etc. as appendages of work-life guidelines, procedures, and practices will result in a more devoted, faithful, and dedicated staff (Finney, 1996). Buchanan (1974) claimed that in a work situation; if an employee could enjoy carrying out their duty in line with the mission and vision of the firm, and co-exist with other employees they tend to enjoy working with them; then they may remain with the firm for a good amount of time. a work situation in this context may include issues about the job and amenities for carrying out the task, and making work fun, safety workspace, and a much-reduced decibel of noise at such an environment. These factors tend to influence on the job satisfaction of the participants of the firm since they may want a work surround that tends to offer further physical coziness. To this end, work is a controlled process in which efforts can be achieved concurrently by the participants of the firm (Ingram & Desombre, 1999). It is consequently proposed that team work is a concerted, collective, combined and communal action that is focused in line with the accomplishment of a mutual objective.

### **Loyalty towards Organization**

As stated earlier, Rishipal and Manish (2013) noted that loyalty tends to imply an individual's devotion, faithfulness or sentimental affection towards a particular object, an ideal, a duty, or a cause. This tends to express both assumption and deed and attempts for the documentation of the welfares of the loyal person with individuals of the entity. Within the context of firms; the loyalty of the employee tends to signify the emotional connection to the firm and grows as a consequence of amplified gratification or satisfaction. This satisfaction may come as fallout from a process of inner assessment, and if an employee's anticipation level is achieved or exceeded, then gratification and fulfillment tends to develop. The loyalty of the employee then grows hooked on a widespread emotional attitude towards the firm. Put differently, as satisfied an employee is with regards to the environment where he/she works; are likely that he cultivates a sense of devotion, pledge, and loyalty towards the firm in totality. Broadly, the loyalty of the

employee can best be defined as a progression, where certain attitudes give rise to certain actual or intended behavioural outcome. Apparently, the loyalty of the employee to the firm is now more like a sacred virtue that tends to be very different to get from everyday employee these days. This is so because to actually give a definition to what is meant by employee loyalty is obviously and essentially complex and cumbersome (Rishipal& Manish, 2013).

When the loyalty of the employee is not when the employee has stayed with the firm for more than a decade; that does not necessarily imply that such an employee is loyal to the firm as they may just be there for the sake of earning a living (Keiningham &Aksoy, 2009). Wan (2013) noted that a firm may be able to cope with employees whose contributions are average to the development of the firm; but firms that are small or average in size and output can become giant multinational firms if they have loyal and allegiant employees. The same way a multinational firm can sink because of uncommitted and averagely qualified employee. In the present day world of business; the likelihoods of identifying, recruiting, selecting, and hiring a well committed employee is becoming far-fetched. This has now escalated the need of the firm to putting the right plans I place to attract and retain outstanding talents for the overall growth of the firm. In the light of this, there are inclinations that firms may tend to trap employees that they consider right and higher performers for the firm in the other to outsmart their competitors. That is, they make the employee satisfied with the firm and the said employee would have no cogent reason to want to leave (Wan, 2013). Firms of today tend to strategize to gain the loyalty of individuals under their employers. Wan (2013) revealed that pragmatic suggestion has established that the firms which attempts to uphold high level of loyalty of the employee would most likely score very high in enjoying extraordinary levels of organizational performance, productivity, profitability as well as customer loyalty.

### **Relationship between Procedural Justice and Employee Loyalty**

Perceived defilements of justice in firms could engender disloyalty and withdrawals for those employees who tend perceive the defilement in the firm in which they are employed (Grover & Crooker, 1995). The allegiance of the employee can be vital and seen in its connection to the gratification of employees as the attendant equality in the circulation of organizational resources and authority in the firm. The complete loyalty of the employee may enhance suitable organizational justice elements as this relationship advances (Auer &Antoncic, 2009). As a

substance of the practice of impartiality in the firm; firms should reward employees as a system of numerous bonuses, raise, soft loan for the purpose of education, elevation, and the enlightenment in a bid to ensue elastic behaviour, and this could result in total pledge and devotion. Aityan and Gupta (2012) maintained that chief elements like interactive relationships, the climate of the firm, effective communication, and an acceptable stream of integral information which are by products of organizational justice can bring about the loyalty of the employee. By issuing sufficient care to employee, the level of the devotion of the employee in the firm can rise tremendously; and this will impact on firm's growth and employees will reciprocate these by furthering devotion.

Aityan and Gupta (2012) suggested that the entrepreneurial leader-managers have to note the worth of the actions taken by employees for the enlargement and advancement of the firm. In a bid to dispense sound justice the way and manner employees are treated can be vital for the image of the firm to all. Lastly, organizational justice and employee loyalty work hand-in-glove as certain emotions like devotion and allegiance are products of equity, equality, and impartiality.

From the foregoing arguments the study thus hypothesized that:

- H<sub>01</sub>:** There is no significant relationship between procedural justice and loyalty towards manager of Deposit Money Banks in Port Harcourt, Rivers State.
- H<sub>02</sub>:** There is no significant relationship between procedural justice and loyalty towards work of Deposit Money Banks in Port Harcourt, Rivers State.
- H<sub>02</sub>:** There is no significant relationship between procedural justice and loyalty towards organization of Deposit Money Banks in Port Harcourt, Rivers State.

## **METHODOLOGY**

The study adopted a cross-sectional survey research design. Primary data was collated using structured questionnaire. The population of the study was population of one thousand four hundred (1400) across the twenty one (21) Deposit Money Banks in Port Harcourt, Nigeria. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all

the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient with the aid of Statistical Package for the Social Sciences. The tests were carried out at a 95% confidence interval and a 0.05 level of significance.

## DATA ANALYSIS AND RESULTS

### Bivariate Analysis

The Spearman Rank Order Correlation coefficient is calculated using the SPSS 23.0 version to establish the relationship among the empirical referents of the predictor variable and the measures of the criterion variable. Correlation coefficient can range from -1.00 to +1.00. The value of -1.00 represents a perfect negative correlation while the value of +1.00 represents a perfect positive correlation. A value of 0.00 represents a lack of correlation. In testing hypotheses one to nine, the following rules were upheld in accepting or rejecting our alternate hypotheses: all the coefficient values that indicate levels of significance (\* or \*\*) as calculated using SPSS were accepted and therefore our alternate hypotheses rejected; when no significance is indicated in the coefficient  $r$  value, we reject our alternate hypotheses. Our confidence interval was set at the 0.05 (two tailed) level of significance to test the statistical significance of the data in this study.

**Table 1: Correlation matrix for Procedural Justice and the measures of employee loyalty**

			Procedural Justice	LTM	LTW	LTO
Spearman's rho	Procedural Justice	Correlation Coefficient	1.000	.736**	.702**	.821**
		Sig. (2-tailed)	.	.000	.000	.000
		N	250	250	250	250
LTM	LTM	Correlation Coefficient	.736**	1.000	.822**	.855**
		Sig. (2-tailed)	.000	.	.000	.000
		N	250	250	250	250
LTW	LTW	Correlation Coefficient	.702**	.822**	1.000	.959**
		Sig. (2-tailed)	.000	.000	.	.000
		N	250	250	250	250
LTO	LTO	Correlation Coefficient	.821**	.855**	.959**	1.000
		Sig. (2-tailed)	.000	.000	.000	.
		N	250	250	250	250

\*\* . Correlation is significant at the 0.01 level (2-tailed).

*Source: Research Data 2019, (SPSS output version 21.0)*

***H<sub>01</sub>: There is no significant relationship between procedural justice and loyalty towards manager of Deposit Money Banks in Port Harcourt, Rivers State.***

From the result in the table above, the correlation coefficient shows that there is a positive relationship between procedural justice and loyalty towards manager. The *correlation coefficient* 0.736 confirms the magnitude and strength of this relationship and it is statistically significant at  $p < 0.000 < 0.05$ . The correlation coefficient represents a strong correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate accepted. Thus, there is a significant relationship between procedural justice and loyalty towards manager of Deposit Money Banks in Port Harcourt, Rivers State.

***Ho<sub>2</sub>: There is no significant relationship between procedural justice and loyalty towards work of Deposit Money Banks in Port Harcourt, Rivers State.***

From the result in the table above, the correlation coefficient shows that there is a positive relationship between procedural justice and loyalty towards work. The *correlation coefficient* 0.702 confirms the magnitude and strength of this relationship and it is statistically significant at  $p < 0.000 < 0.05$ . The correlation coefficient represents a strong correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate accepted. Thus, there is a significant relationship between procedural justice and loyalty towards work of Deposit Money Banks in Port Harcourt, Rivers State.

***Ho<sub>3</sub>: There is no significant relationship between procedural justice and loyalty towards organization of Deposit Money Banks in Port Harcourt, Rivers State.***

From the result in the table above, the correlation coefficient shows that there is a positive relationship between procedural justice and loyalty towards organization. The *correlation coefficient* 0.821 confirms the magnitude and strength of this relationship and it is statistically significant at  $p < 0.000 < 0.05$ . The correlation coefficient represents a very strong correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate accepted. Thus, there is a significant relationship between procedural justice and loyalty towards organization of Deposit Money Banks in Port Harcourt, Rivers State.

## DISCUSSION OF FINDINGS

The tests of hypotheses revealed that there is a significant and positive relationship between procedural justice and employee loyalty of Deposit Money Banks in Port Harcourt. This finding

reinforces views by Dailey and Kirk (1992) explored and reported that the employees are not just seeking for favourable decisional outcomes; but would want to expect impartial and fair procedures in decision negotiation process and how such consequence of such decisions would affect all the participants of the firm. Greenberg (2001) explored several contextual factors influencing the insights of justice system within the firm, found that: (1), certain apprehensions about justice will tend to be activated when employees received undesirable and unfavourable consequences. (2), the steps taken to ensure conclusions about fairness in the system was most likely to happen if there are some functional employer and employee relationships were in a form of instability. (3), because organizational resources will not always be sufficient, self-serving insights of justice will tend to suffice. (4), concerns about justice existed more, and tend to ascend between connections having dissimilar levels of influence and control than between those for whom are of the same level. The conclusions of the study conducted by Poole (2007) supports the notion that hierarchical structures that create super ordinate-minor relationships inevitably are challenging from the standpoints and positions of justice system in the firm

The allegiance of the employee can be vital and seen in its connection to the gratification of employees as the attendant equality in the circulation of organizational resources and authority in the firm. The complete loyalty of the employee may enhance suitable organizational justice elements as this relationship advances (Auer & Antoncic, 2009). As a substance of the practice of impartiality in the firm; firms should reward employees as a system of numerous bonuses, raise, soft loan for the purpose of education, elevation, and the enlightenment in a bid to ensue elastic behaviour, and this could result in total pledge and devotion. Aityan and Gupta (2012) maintained that chief elements like interactive relationships, the climate of the firm, effective communication, and an acceptable stream of integral information which are by products of organizational justice can bring about the loyalty of the employee. By issuing sufficient care to employee, the level of the devotion of the employee in the firm can rise tremendously; and this will impact on firm's growth and employees will reciprocate these by furthering devotion.

### **CONCLUSION AND RECOMMENDATIONS**

Procedural justice reflects perceptions of processes that lead to these outcomes. Interactional justice reflects perceptions of interpersonal interactions and treatment. A committed workforce is a necessary condition for the realization of organizations' employees who perceive unfairness in

the workplace may exhibit varying degrees of negative behaviour. Based on the findings, this study concludes that procedural justice significantly influences employee loyalty of Deposit Money Banks in Port Harcourt.

The study thus recommends that Deposit Money Banks managers should first improve the procedural justice and hence increase overall levels of perceived justice by involving employees in the procedures used in making decisions and allocating rewards. Procedural justice can be fostered further through employee involvement which gives them a voice during a decision-making process, influence over the outcome or by adherence to fair process criteria.

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