

## Employees' Discipline as a Tool for Organizational Performance: A Review of Evidence from selected Banks in Kaduna State

Wabba, Ijai Inuwa\*  
[inuwaijai7@gmail.com](mailto:inuwaijai7@gmail.com)  
+2347030353097

Dr. KADARKO, Esther Dizaho  
Department of Management Studies, Faculty of Management Sciences,  
Nigerian Defence Academy Kaduna

\*Corresponding Author: [inuwaijai7@gmail.com](mailto:inuwaijai7@gmail.com), +2347030353097

### ABSTRACT

Discipline is not to be regarded as the use of force or making use of punitive measures to correct misbehaviours in workplace, rather, it is a system designed to align employees' interest to that of the organization which requires compliance to the organizational policies, laid down rules and regulation of the an organization. Any attempt by employees to deviate from the defined scope outlined by the management for the organization's interest would have to be visited with prompt action. This co-opts the use of disciplinary procedures which require the establishment of the act of indiscipline, investigation, fair hearing, award of punishment and right to appeal. This review explores the influence of employee discipline on organizational performance, focusing on selected commercial banks in Kaduna State, Nigeria. The study reviews relevant literature (of both) of both local and international studies on the concept of employee discipline, factors influencing indiscipline, causes of indiscipline, disciplinary procedures and the relationship between discipline and performance metrics. Through analysis of past studies, the review reveals that effective disciplinary practices contribute to employee efficiency, reduce absenteeism, and enhance overall productivity. The paper drew its conclusion with recommendations for bank managers on maintaining a structured disciplinary framework that aligns with organizational goals.

**Keywords:** Employee Discipline; Organizational Performance; Disciplinary Procedures; Workplace; Employee Behaviour; Ethical Standards.

## 1. INTRODUCTION

Organizations maintain employees discipline as an organized system which addresses non-compliance issues regarding workplace rules and organizational policies and codes of conduct. The system delivers basic operational requirements to develop staff responsibility and ensures complete commitment to both core company principles and performance targets (Robbins et al 2019). The concept of employees' discipline in its simplest form refers to the system of rules, standards, procedures which are made to govern individual employee's behaviors in the workplace. Employee discipline in a typical organization often serves as a standard to ensure that employees adhere to specific organizational expectation and conduct themselves in a manner that promotes overall performance in terms of efficiency, respect and mutual accountability. Employees discipline does not confine to mere punishment; rather, it deals with a proactive approach to managing behavior by clearly outlining and communicating acceptable norms and makes use of corrective measures when necessary. Dessler (2020) opined that organizations implement disciplinary systems to make sure that proper order is maintained, company interest is protected, and employees are treated with utmost fairness. These disciplinary systems usually include a code of conduct, well defined policies, outlining acceptable and unacceptable behaviors, and a series of progressive disciplinary procedures such as verbal warning, written warning, reprimand, suspensions, demotion and when misconduct persist, it could lead to termination of appointment. This structured approach gives room for consistency and transparency, thereby minimizing perceptions of bias, denial of rights, victimization or unfair treatment.

Employee misconducts at workplace adversely hamper the performance of every profit making organization. In the study aimed at evaluating the role of employee relations and ethical orientation in enhancing job performance in Nigeria banks, Olabimitan and Aausa(2019) identified factors such as poor employee's relations, unethical behaviors, inadequate communication and conflicts in workplace reduce performance, hence the researchers recommended that commercial banks should focus on improving employee's relations and ethical orientation to enhance discipline and promote performance of the organization.

In an analysis on Italian Banking sector, D'Amatol et al (2024) found out that employees discipline positively influences bank stability thereby supporting the view that discipline and well trained staff lead to effective performance. It was asserted that through disciplined

employees, the banking sector achieves financial stability as well as regulatory compliance and maintains contented clients throughout its diverse services. The study further opined that inadequate discipline within banking organizations often leads to increased employee turn-over which brings additional costs of finding new employees, training and integrating them. Misconduct of employees can impact negatively on the bank's reputation with its customers which leads them to question its ability to safely manage money. An effective approach to employee discipline strategy enables strong bank performance through the highly competitive industry (Mbiada and Lavhengwa, 2023).

Considering the competitiveness in the commercial bank industries, employees discipline plays a vital role in a quest to ensure strict compliance to policies and maintain positive workplace culture which in turn will subsequently lead to positive organizational performance.

This study is aimed at reviewing the impact employees discipline has on the organizational performance in commercial banks in Kaduna. The researcher wishes to study First Bank PLC, Access Bank PLC and Zenith Bank PLC domiciled in Kaduna State to measure how employee discipline affect organizational performance in commercial bank industry.

To this end, the study will investigate the concept of employee's discipline, fetching relevant information from the previous study to establish this fact that when employees properly adhere to guiding principles, rules and regulations and dutifully carry out their assigned tasks, it will have a positive effect on the performance and profitability of commercial banks.

### ***1.2 Statement of Research Problem***

Every organization encounters one or more challenges regarding uncooperativeness which could arise from organizational politics, lack of motivation or poor workplace conditions. This manifests among others in the form of unfriendly relations between managers and their subordinates or intra-group conflicts among colleagues (Mullins, 2016).

Current research on customer satisfaction does not empirically connect administrative measures with pertinent banking metrics like service quality, customer retention, and complaint resolution efficiency (Ardiyanto and Pogo, 2020). Although work discipline is assessed to have an influence on the quality of services offered, there is no adequate research focused on establishing direct links between policy discipline and customer satisfaction indicators. The study wish to examine the effects of employee discipline on commercial banks' success, the poor state of

banking service quality combined with financial performance decline and public trust loss in Nigerian banking institutions arising from employee discipline problems.

### ***1.3 Research Objectives***

This research aimed to assess how employee discipline affects performance of commercial banking institutions in Kaduna State.

### ***1.4 Research Significance***

The research work has numerous benefits because it addresses the need for commercial banks to align the interest of the employees to that of the organization and seeks to offer guides on how to address employees' misconduct and adherence to ethical and professional standards to improve organizational performance, thereby reducing cases of misconduct in commercial banks. The study aims to (contribute to) contribute to the existing body of literature on human resource management and organizational performance, particularly in the banking sector and serves as a reference material for future study on employee discipline in organizations, academics and other purposes.

### ***1.5 Scope of the Study***

The researcher confined to the First Bank Nigeria PLC, Access Bank PLC and Zenith Bank PLC in Kaduna as chosen commercial banking organizations. The banking institutions were selected because they serve numerous customers base while operating large banking operations across Kaduna State. The selected banks have relatively large human resources base which may give room for some acts of indiscipline such as absenteeism, policy breaking, lateness to work, workplace gossip and the like.

## **2. LITERATURE REVIEW**

### ***2.1 Concept of Employee Discipline***

Dessler (2013) was of the opinion that discipline is aimed at correcting and guiding rather than punishing employees. The presence of orderliness in any particular field of endeavor is referred to as discipline. On the other side, disorderliness, irregularities and confusion is termed as indiscipline. Discipline is the force that prompts an individual or a group to observe some set of

rules, regulations and procedures in an organizational or workplace. In a clear term, it is a restrain or enforcement of punishment or penalties for the violation of lay-down rules or principles (Spriegel & Schultz, 1956) Employees discipline according to Rue and Byars (2004) refers to the actions or systems which are adequately put in place by an organization to make employees adhere or obey the rules and regulation that are established by the organization to govern it. The study further opined that employee discipline is seen as the regulation of employee behavior through policies, procedures, and corrective actions to ensure that organizational objectives are met.

This is the condition in an organization where employees are made to conduct themselves in line with the organizations rules and standards of acceptable behavior. Organizations have employee discipline systems which they use to retain required conduct standards while managing employee shortcomings. The system delivers multiple standardized processes to both penalize improper staff behavior and improve personal responsibility along with demonstrating worker consequences (Burdina, 2023). The establishment of effective disciplinary procedures by organizations ensures both workplace control and managing employee misconduct and operational compliance. Commercial banks require employee discipline systems across their entire operations due to banking industry restrictions (Baloyi-Ngobeni and Odeku, 2014).

The disciplinary actions invoked against workers serve as critical elements to minimize organizational financial and legal liabilities. Drastic financial and legal risks affect both the employees and their organization when anti-money laundering standards get violated through fund mismanagement and fraudulent conducts. Banks must create comprehensive disciplinary methods for managing both minor offenses and severe breaches with potential legal effects and regulatory consequences and image damage to the organization. Commercial banking profits together with client satisfaction gain significant benefits from operational efficiency; hence, stronger disciplinary measures significantly affect organizational market performance (Deciu, 2020). To this end, employees discipline is the system that ensures adherence to workplace rules and regulation, obeying organizational policies, standards of behaviour and culture.

### ***2.1.1 Factors Influencing Employee Discipline in Commercial Banks***

Internal factors are the factors that emanate from within an organization and can be managed by the management. These numerous internal components determine how commercial banks

establish employee discipline at work. Such organizational factors work effectively when they generate compliance with internal rules and boost institutional work ethic. The organizational factors that generate employee discipline consist of leadership approach, organizational culture, employee training programs and communication procedures, and regulatory policies emanating within the organization.(Daqar and Constantinovits, 2021). The elements that exist in-between these factors establish an organizational framework which defines whether employees comply or fail to follow established rules.

Understanding such factors in detail produces complete knowledge regarding their combined effects on workforce discipline establishment in banking institutions. The external factors emphasize the employee protection laws established by governments and affect how organizations enforce disciplinary rules. To maintain disciplinary actions which meet three criteria of fairness and consistency and legal adherence, banks must understand and comply with these legal constraints.

### ***2.1.2 Disciplinary Procedure in Banking Sectors***

As a matter of general rules applicable in almost every organization, investigating any disciplinary action requires a timeliness approach of conducting alignment to guarantee that justice is served effectively and that action is taken within a reasonable timeframe throughout the process. In some cases, however, lack of knowledge, experience, and competence of the Inquiry Officers, Presenting Officers, and Disciplinary Authorities leads to unacceptably prolonged delays in the conduct of Disciplinary Proceedings which invariably result in injustice and undermines the moral of the officers. (Barpanda, Guha and Datta, 2024)

#### ***1. Establishing Disciplinary Policies and Codes of Conduct***

Disciplinary procedures by definition precede the development and issuance of policies and therefore, banks have well developed policies specifying what behavior is acceptable and what is not. These policies may be found in the following documents: Employee manuals, Organizational code of conduct and ethics, Guidelines issued by governing financial institutions (Central Banks, Finance Regulators) Armstrong, (2014).

#### ***2. Identification and Reporting of Misconduct***

Misconduct may be discovered in a number of ways which include; observation by superiors and managers, Customer complaints, internal audits and compliance inspections, Fellowship reports

or whistle-blowing. Some of the common types of misconduct in banks are; fraud, corruption, and financial mismanagement, breaching data protection and confidentiality policies and discrimination and harassment in the workplace (Robbins and Judge, 2019).

### ***3. Investigation of the Allegation***

The second stage in the procedure is to file a misconduct report so that the bank will start an investigation process to validate the allegations made. The filing of report among others entails; collecting relevant documents (emails, financial documents, CCTV footage), witness and party interviews, legal or human resource consultancy. If the allegation is more severe, the employee may be placed on a precautionary suspension pending investigation (Robbins and Judge, 2019).

### ***4. Providing a Notice to an Employee***

Where claims are substantiated, the third stage will involve notifying the employee of the allegations made against him. The formal notice which will be conveyed to the employee may contain; a statement of the nature of the alleged misconduct, citation of the relevant disciplinary policies or rules that were contravened and request to respond to the allegation within a specified period (Dessler, 2020).

### ***5. Disciplinary Hearing***

A hearing is meant to give employees who are alleged to have committed a disciplinary offence an opportunity to explain their side of the story. This is an avenue where an employee appears before a panel to answer questions. Under the hearing, the following are the key components; a disciplinary committee (HR, managers, legal advisors) is formed, evidence against the employee is provided and witness testimonies are given if need be. However, the defaulted employees are given opportunity through fair hearing to defend themselves, (Mathis and Jackson, 2011).

### ***6. Decision and Disciplinary Action***

According to Cole (2002), this stage involves taking decision on the matter; the disciplinary committee must have a review of all collected evidence. Possible outcomes which include formal or informal reprimand – for less serious breaches, suspension – either with or without a pay, downgrading or demotion which has to do with disciplinary action of reducing an employee's rank due to misconduct, dismissal which involves permanent removal from the position or expulsion from the organization which may lead to total stripping of official properties in the erring employees' possession. Legal Action could be taken in if the case offense involves

criminal misconduct like fraud or embezzlement. Decisions taken are communicated in writing with the reasoning provided for the decision taken.

### **7. *Employee's Right to Appeal***

Employees have the right to appeal if they feel that the decision taken is unjust. The appeal process contains steps such as submission of an appeal letter, hearing of the case from a more senior colleague in the Bank and re-evaluation of the initial decision due to additional evidence presented. Under this procedure, there is time frame within which an employee is allowed to submit his/her appeal otherwise accept the decision of the panel as final (Armstrong, 2014).

### **8. *Document Control***

The final stage in disciplinary procedure has to do with documentation of all forms of disciplinary actions. Undertaken must be complete for accountability purposes. Records are kept in the following ways; employee files kept at the Human Resources Office, software applications administered by the HR and Legal departments, reports prepared by the Compliance and Audit Department. Sometimes, a disclaimer will be published against the employee. Such documentation enables the Bank to monitor and manage legal litigation arising from employees' activities in the Bank (Dessler, 2020).

## **2.2 *Concept of Organizational Performance***

The ability of an organization to achieve its set goals and objectives effectively and efficiently is often measured by its productivity, profitability, employee turnover, and customer satisfaction. An organization proves its performance by accomplishing all targets within its objectives through comprehensive assessment metrics and performance measurements (Kreismann and Talaulicar, 2021). Performance evaluation considers organizational business profits, employee efficiency and both market leaders and operational competencies and customer satisfaction fulfillment. Performance measurement serves as a system to gauge organizational performance in meeting strategic targets while preserving their competitive market position (Riyanto et al., 2021). Banks utilize a combination of crucial nonfinancial variables and financial measures to assess performance with workplace effectiveness and personnel demands integrated into the assessment framework.

Specific performance indicators serve the banking industry for analysis through the combination of profitability figures, market share statistics, return on investment (ROI) outcomes, customer satisfaction ratings and employee production metrics (Riyanto et al., 2021). This measurement

system helps banks to gain complete comprehension about their achievements alongside their competitive strength for maintaining market position. Financial institutions use profitability as their core key performance indicator to demonstrate their ability to handle resources and maintain business revenue. The bank tracks down customer satisfaction metrics alongside market share metrics to evaluate both competitive performance and service delivery quality (Wu et al., 2023). The achievement of the bank depends heavily on employee engagement with productivity because both elements directly influence operational activities as well as customer service delivery.

Service quality a customer receives stems from employees meeting requirements through their professional actions. Staff members who follow proper conduct demonstrate improved customer service with courteous relationships maintained for each contact they have with customers. The Balanced Scorecard framework (Irawan et al., 2019) offers a valuable perspective on the relationship between employee behavior and organizational performance. The Balanced Scorecard functions as a strategic management system to create connections between financial results and internal operations as well as customer views and innovative approaches. Organizations attain improved performance because their personnel direct their tasks toward organizational goal achievement.

Customer loyalty increases when employees provide efficient high-quality service thus resulting in repeated business interactions. Organizational operations benefit from employee discipline by allowing continuous advancement and innovative growth (Anwar and Abrar, 2023). (I wish) The research adopts the definition of Olanrewaju and Johnson (2021) which opined that organizational performance can be seen as an extent to which an organization achieves its set goals and objectives effectively and efficiently in areas such as customer satisfaction, service delivery, and productivity.

### ***2.3 Empirical Review***

The enforcement of employee discipline remains one of the least studied areas in organisational performance in relation to the banking sector in Kaduna because it is central to organizational profitability and customer satisfaction. This is within the scope of employee discipline as an aspect of performance which is accompanied with motivation, reward systems, and human resource frameworks and policies (Idris and Alegbeleye, 2015). The original study captured some notable literatures in this review.

The first review captured Zaeni et al. (2023) in a study on the Effect of Motivation and Work Discipline toward Employee Performance at PT PLN (Persero) Makassar Transmission Implementation Unit (UPT) examined the influence of motivation as well as discipline on performance in the electricity sector. Participants included 50 employees who were sampled using a census sampling technique. A questionnaire was administered and data analysed using descriptive quantitative techniques, including multiple linear regression, t-test, and f-test. The results showed that work motivation significantly enhanced employee performance, while work discipline had a positive but no statistical significance. The study emphasized that motivation and discipline together contributed heavily towards performance. Unlike other studies though, it did not consider the impact of external factors such as leadership style and the workplace environment on the performance outcome.

Mbiada & Lavhengwa (2023) published *Derivative Misconduct and the Employee's Duty to Act Bona Fide: Ncukana / AF Brands (Pty) Ltd [2022] 7 BALR 737 (CCMA)* focused on the legal and ethical dimensions of derivative misconduct within the context of employment law, particularly within South Africa. The research utilised a doctrinal approach, focusing on case law, statutes, and legal commentary in evaluating the scope of the duty of employees to report workplace wrongdoing. It was established that employees can lose their jobs for not reporting the wrongdoing of their colleagues because such failure constitutes a breach of the implied good faith obligation in employment contracts. However, the research noted the absence of adequate legal protection for employees who suffer violence in silence because they fear the consequences of blowing the whistle and suggested that legal protection regarding appropriate disciplinary action needed enhancement.

Sibarani et al. (2023) conducted a study under the title *Enforcement of Employee Discipline Through Online Selfie Absent*. The research explored the effects of the Absent Online Selfie (Senfie) system on discipline among employees of the State Civil Apparatus (ASN) in East Kutai Regency, Indonesia. With the focus of this research being qualitative, data was obtained through interviews, observations, and document analysis. Results showed that the implementation of the Senfie system positively impacted employee discipline through proper monitoring of attendance by means of Global Positioning System (GPS) selfies. It, however, faced challenges of poor internet access, ghost attendance, low employee digital skills, and inadequate teaching in employee literacy. Also, the study did not explore the longitudinal effects of using a digital

attendance system within an organisation and how it affects overall performance, nor the impact of Senfie scheduled attendance on organisation productivity compared to traditional methods which poses a challenge for future studies.

Laarman et al. (2019) in their study “How Do Doctors in the Netherlands Perceive The Impact of Disciplinary Procedures and Disclosure of Disciplinary Measures on Their Professional Practice, Health and Career Opportunities” explored the impact of workplace discipline on the psychological and professional levels of doctors in the Netherlands. The study was conducted through a questionnaire survey with a sample size of 210 doctors who were disciplined between 2012 and 2016. The results indicated that disciplinary measures adversely impacted doctors’ mental health, job satisfaction, and career advancement. It was discovered that, 10.8% respondents, were suffering from burnout, and 41% reported practising defensive medicine to shield themselves from future complaints. The study also claimed that the public disclosure of punishments worsens the situation, although the study did not fully investigate how such disclosures affect trust in medicine and medical ethics, presenting an open research gap.

Kowaleski carried out a research study on ‘The Effect of Supervisors on Employees Misconduct in the U.S Financial Institutions’ in 2023. The research aimed at the impact of supervisors on bank branch employee misconduct within U.S. broker-dealer (BD) firms from 2007 to 2017. A fixed-effects regression model was utilised and the individual supervisor influence was found to account for twice as much variation in branch misconduct compared to firm-level factors. Supervisors contributed to misconduct through their hiring decisions and monitoring of previously misbehaving subordinates, as well as enforcing ethics training. A possible limitation of the study is the absence of a comprehensive discussion on the long-term consequences of supervisor actions on employee behaviour, organisational performance, and other pertinent issues, reflecting a possible research gap.

A study was undertaken by Fernández Muñoz et al., (2022) titled “The Influence of Organisational Climate, Incentives, and Knowledge Sharing on Misconduct and Risk-Taking in Banking” sought to establish how organisational climate, incentives, and sharing of information influence misconduct and risk-taking in banking. The study was conducted on 110 bankers in Spain and applied the structural equation modelling (SEM) approach to assess relationships amongst these factors. The results showed that organisational climate affects employees’ perception on the risk of misconduct and excessive risk taking, and that incentive schemes

consisting of compensation, promotion, and knowledge sharing enhance compliance. The study did not, however, examine the enduring impact of such behaviour on employees or the impact of varying regulatory regimes on risk culture, thus providing material for further studies.

Ishari and Fernando, (2023) studied *The Effect of COVID-19 on the Profitability of Commercial Banks: Evidence from the South Asian Region*. This research examined the effects of the covid-19 pandemic on the commercial bank profits of Sri Lanka, Bangladesh, and Pakistan. The study utilised panel regression models on 15 quarters of financial statements (2018 Q1-2021 Q3) of 12 banks from Sri Lanka and Bangladesh and 10 banks from Pakistan. Results showed that the pandemic drastically lowered profitability in Pakistani banks, while the impact was relatively less on Sri Lankan banks. The study recommended that capital adequacy and credit risk management were fundamental in attempting to absorb financial shocks. However, the study did not analyse the effects of government stimulus packages on the profitability trends, which was a gap in the research.

Fanggidae and Maak (2022) studied *The Effect of Workload and Job Stress on Employee Performance*. The purpose of this study was to assess the impact of workload and job-related stress on employee performance across different sectors, particularly within banking and financial services. In this quantitative survey study, structural equation modelling (SEM) was used for data analysis and the results revealed that high workload coupled with job stress leads to a decrease in employee productivity and job satisfaction. On the other hand, such organisations did see an improvement in performance when stress management and flexible work policies were instituted. This study did not consider the impact of different leadership styles on the stress levels of employees and this is where the research.

Burdina, (2023) published a study called “*The Essence, Purpose, and Significance of Disciplinary Measures Applied to Juvenile Offenders Sentenced to Imprisonment*”. The research investigates several approaches to defining the boundaries of corrective measures within a correctional facility for children in Ukraine. As part of the legal and doctrinal analysis, the study included an examination of criminal-executive law policies relevant to punitive and corrective discipline. The results indicated that both punitive measures and rehabilitation procedures assist in fostering respectable conduct among inmates. The study identified the inadequacy of sociological legislative interpretation as a gap in Ukrainian legislation for not uniquely delineating the purposes and impacts of such means, resulting in possibilities for abuse.

Deciu, (2020) analysed The Impact of Compliance Programs on Organisational Psychology in the scope of business ethics vis-à-vis employees. The case study explored these in modern organisations and aimed to capture the effect of compliance programs on role identity and organisational identity using qualitative social identity theory. Results suggest compliance programs are beneficial in promoting ethical participation and commitment to the organisation; however, the impact of such programs depends on whether they are established as a proactive ethical policy or a legal obligation. The gap in the study is the lack of evidence on the impact of compliance strategies on employee behaviour and organisational profitability over time.

Baloyi-Ngobeni & Odeku (2014) wrote “An Overview of the Precautionary Suspension Phenomenon in the Workplace”. The examination of precautionary suspensions focuses on their application as well as their overapplication in the context of employment law, particularly in the South African public sector. Following a legal methodology based on relevant case law, statutes, and tribunal rulings, the author outlines that employers frequently misuse precautionary suspensions to sidetrack employees, resulting in expensive legal settlements. Some employees were noted to have been suspended with pay for years without the suspension being subjected to a formal hearing, an outcome deemed unjust and adversarial to the workplace, within the context of inappropriate practices. While the author offers valuable insights, the analysis is far too limited, particularly in exploring alternative methods of resolving disputes that would mitigate reliance on precautionary suspensions.

In a study, Anwar and Abrar (2023) examined “The Influence of Compensation and Work Motivation on Employee Performance through Employee Discipline” which sought to investigate the extent to which compensation and work motivation affect employee performance through discipline in PT Urchindize, Madura Branch, Indonesia. This study employed a quantitative approach using path analysis based on data gathered from a sample comprising 80 employees. The outcomes indicated that performance was significantly affected by compensation, motivation, and employee discipline, with the greatest impact occurring when motivation was exercised in relation to discipline. Notably, factors such as organisational leadership, organisational culture, and employee engagement were not considered, all of which are external to the organisation yet have the potential to strongly affect employee performance.

The empirical review captured the sharp focus of employee discipline as one of the factors that can enhance organizational performance. Compensation, work motivation, training, and Human

Resource Management (HRM) practices serve as the building blocks aimed at sustaining discipline and enhancing productivity. In particular, research findings indicate that some motivational techniques and organized reward schemes improve discipline and performance, while absence of corrective actions leads to poor performance and unproductive behaviour. Inasmuch as these are eye-opening, current studies have glaring gaps. Some studies take a myopic view with no longitudinal study analyzing the adverse effects of insufficient corrective policies on performance. Others ignore internal organizational elements like the attitude of management towards employees, organizational culture, and change in policy environment. Also, research focusing on the discipline of employees working in commercial banks tends to be silent on the more deeply embedded socioeconomic factors shaping compliance. In the original study, the researcher reviewed about four local studies and nine international literatures.

#### **2.4 Research Gap**

There is a lack of literature regarding employee discipline and its effect on the performance of commercial banks in Kaduna State. Despite the existence of multiple studies on the correlation between employee performance and the outcomes of an organization, there is very little analysis of the impact of distinct disciplinary policies on important performance indicators in banking (Rahmawati and Nurhadian, 2023).

Most studies adopt cross-sectional survey designs and regression analyses as their primary approaches for evaluating the impact of discipline on performance using one-time surveys. Alongside the lack of longitudinal methodologies, these studies also miss adding value by neglecting to employ mixed-methods approaches that blend qualitative and quantitative insights (Rahmawati and Nurhadian, 2023). Disciplinary policy changes are often ignored as factors influencing employee engagement and organizational efficiency, the concept which Handika, Pramesthi, and Sari (2023) argued that it can be studied better through adopting experimental and longitudinal research designs. This body of work also ignores the connection between violations of workplace policies and the delivery of customer service.

According to the original study, filling these gaps allows further research to be undertaken to formulate innovative policies, managerial best practices, and multidisciplinary approaches to discipline which will enhance employee behavior and performance in commercial banks based in Kaduna State.

## **2.5 Theoretical Review**

The study featured four key theories of discipline which include Equity theory, Corrective theory, behavioral theory and preventive discipline theory.

The key Concept of equitytheory suggests that employees are motivated not just by the absolute rewards they receive like salary but theywant to believe whether these rewards are perceived as fairand just compared to other employees. This theory wasdeveloped by John Stacey Adams(1963) and modified by many other researchers. To be precised, the theory suggests that employees compare the input verses output ratio of their work to those of others. These inputs can include effort, loyalty, hard work, skills, and time, while outputs are rewards such as salary, recognition, promotions, and other benefits such as healthcare, vacation and the likes.

### **2.5.1 Corrective Discipline Theory**

The Corrective Discipline Theory suggested thatCorrective discipline is a constructive and progressive process by which organizations shape the behaviors of employees with the goal of correction rather than punishment. The key idea should be in line with the principles of procedural justice. The progressive discipline framework follows an approach that starts with minor warnings turning into more serious corrective actions unless the unwanted behavior continues (Zaeni et al., 2023).

### **2.5.2 Behavioural Discipline Theory**

Behavioral theoryemerged in 1940s-1950s as a response to the limitation of traits theory. The focus of this theory is on the behaviors of the managers and other leaders in an organization. Theorist like Douglas McGregor (1960) believed that effective leadership is on clear and defined behavior. The theorists believed that employees discipline is not just all about punishment or enforcing rules but influenced by managers behavior, reinforcement strategies and good communication. The theory reinforces positive behaviors through rewards systems although negative behaviors get discouraged by taking away rewards and implementing consequences (Hassan, 2023). Consistency in reinforcement stands as the essential requirement for achieving success when using this approach.

### **2.5.3. Preventive Discipline Theory**

Finally, the Preventive Discipline Theory aimed at taking proactive measures to create positive work environment for the employees where performance problem or misconduct are minimized to the barest minimum. Preventive discipline establishes measures that stop issues from

occurring through the clear definition of expectations and both policies and behavioral standards. The approach identifies employee needs in advance to decrease future disciplinary requirements by explaining performance expectations (Riyanto et al., 2021).

### ***2.6 Theoretical Underpinning***

This research work will build its premise on preventive discipline theory which establishes proactive measures that stop issues from occurring through the clear definition of expectations. The most fundamental component to preventative discipline is to clearly outline what is expected of an employee in precision. Once employee knows what is expected of him, it leads to conscious attempt to work effectively in the organization. Among others, such guidelines might include rules, regulations, counseling and the likes.

The workplace constitutes people that come from different background, gender, qualification and potentials. The approach identifies employee needs in advance to decrease future disciplinary requirements by explaining performance expectations (Riyanto et al., 2021). Training combined with clear communication form the essential components for preventive discipline strategies (Anwar and Abrar, 2023)

## **3. RESEARCH METHODOLOGY**

### ***3.1 Research Design***

The study adopted quantitative study approaches. This is because the study is aimed at examining relationship between employees discipline and organizational performance. The quantitative method will enable the researcher to analyze patterns and consequently test hypothesis. The researcher will adopt descriptive and Correlation type of study. Descriptive method will help the researcher to understand the current condition of employees and organizational performance while correlation approach will be used to assess the strength of relationship between employees' discipline and performance metrics in an organization.

The estimate of the total number of staff for the banks under study in Kaduna is based on the authoritative figure of available branches and the mean estimation of employees per branch. The verified branch figures for the respective banks are as follows: Access Bank 18 branches (Access Bank, 2025), First Bank 14 branches (First Bank Nigeria, 2025), and Zenith Bank 7 branches (Zenith Bank, 2025). The total number of employees is then calculated as:

- i. Access Bank: 18 branches = 504 employees
- ii. First Bank: 14 branches = 350 employees
- iii. Zenith Bank: 7 branches = 147 employees

It is estimated that the total number of employees for the three banks in the region of Kaduna State is 1,001 employees.

### 3.2 *Sample Size*

In this research, representative sample sizes were determined using the well-known Krejcie and Morgan's formula from 1970 which is considered the standard for determining sample sizes. The formula is stated below:

$$S = \frac{(X^2 \times N \times P \times (1 - P))}{(d^2 \times (N - 1) + X^2 \times P \times (1 - P))}$$

Where:

- S = Sample size
- $X^2$  = Chi-square value for 95% confidence level ( $1.96^2 = 3.8416$ )
- N = Population size
- P = Population proportion (0.5, assuming maximum variability)
- $d^2$  = Margin of error squared ( $0.05^2 = 0.0025$ )

Substituting:

$$S = \frac{3.8416 \times 1001 \times 0.5 \times (1 - 0.5)}{0.05^2 \times (1001 - 1) + 3.8416 \times 0.5 \times (1 - 0.5)}$$

$$S = \frac{960.4}{3.2114}$$

$$S \approx 300$$

- Top Level Management Staff: 10–15%
- Middle Level management: 15–20%
- Operational Staff (Customer Service, Operations, Finance): 65–75%

Using these proportions to the sample of 299 respondents:

- Top Level Management Staff: 10–15% of 299 = 30–45 respondents
- Middle Level Management: 15–20% of 299 = 45–60 respondents
- Operational Staff: 65–75% of 299 = 194–224 respondents

Such proportions will be applied to the sample to get a more accurate representation of the workforce at the responding banks; thus improving the overall credibility and dependability of the findings of the study.

## **4. RESULTS AND DISCUSSION**

### ***4.1 Relationship Between Discipline and Organizational Performance***

The study seeks to establish the relationship between employees discipline and organizational performance has shown that there is positive relationship between the concepts. The following are the cardinal relationship established;

- i. Employees Discipline reduces workplace conflicts and discourages absenteeism. It seeks to address the possibilities of clashes of interest and lack of understanding among the employees. This encourages punctuality and dedication to work.
- ii. Employees tend to perceive that fair disciplinary actions are supportive rather than punitive, thereby enhancing motivation which in return increases productivity.
- iii. Performance indicators like customer satisfaction, compliance rates, and profitability are influenced by how well discipline is managed in the organization.

### ***4.2 Challenges in Managing Employee Discipline in Banks***

- i. The tendencies of bias and favoritism among the employees adversely affect the enforcement of disciplinary action on the erring employee.
- ii. Lack of employee awareness of disciplinary policies. When the management fails to create awareness on some disciplinary policies, it poses challenges during implementation.
- iii. Inadequate training for supervisors on disciplinary procedures is another factor that creates challenge when trying to manage discipline.

## **5. CONCLUSION AND RECOMMENDATION**

### ***5.1 Conclusion***

For an organization to attain its maximum level of performance and achieve its goals and objectives, in the areas such as profitability figures, market share statistics, return on investment (ROI) outcomes, customer satisfaction ratings and employee production metrics, it is pertinent to ensure that high level of discipline which deals with policy compliance, adherence to standards,

orderliness, obedience to rules and regulations, ethical conduct is sustained. Employee discipline is indispensable for achieving high organizational performance. In the competitive banking sector in Kaduna, consistent and fair application of disciplinary measures goes a long way in strengthening productivity, accountability, and service delivery.

### **5.2 Recommendations**

The essence of making employees discipline a priority in an organization is to secure a willing compliance from the employees which in return will lead to effective performance. The research therefore recommends that;

- i. That commercial Banks should adopt a progressive discipline approach to guide employee behavior in the work place.
- ii. The management must consistently review the disciplinary policies and communicate same to the employees.
- iii. The banks should encourage employee participation in policy formation to foster ownership and compliance.

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