IJAAR PUBLISHING®

Open Access Journal of Management Sciences Research | ISSN: 3027-1975
Vol. 4, Issue 2 (2026) | www.ijaar.org

EMPLOYEE RETENTION AND ORGANIZATIONAL BEHAVIOR: A STUDY ON NIGERIAN BREWERY ENUGU

BY

NNAMDI DONATUS CHUKWUNWEIKE (PhD Nig)
Department of Economics
Faculty of Social Sciences
Paul University, Awka
Email: doonemeka@gmail.com

DR. JOY, N. IKILIDIH
Department of Accountancy
Paul University Awka
joyikilidih@gmail.com

MADUMERE HUMPHREY IKENNA
Department of Logistics & Supply Chain Management
Nnamdi Azikiwe University

ABSTRACT

This study was an inquiry into the effects of the major structural changes in Nigerian brewery especially the contracting out of the core industrial activities in the brewery to external bodies, which was suspected to have adversely affected staff conditions of service, welfare and employee retention. Hence the focus of this paper was the effect of organizational behavior on employee retention in Nigerian brewery. Frequency of payment of wages, salary structure, under payment of wages, recognition for hard work and reward for labor and opportunity for self growth were used to capture organizational behavior; while the willingness to continue with the organization captured employee retention. Organizational behavior was the explanatory variable; while employee retention was the dependent variable. Data for this study were collected through interview and structured questionnaire. Purposive random sampling technique was used. The target respondents were Nigerian brewery staff. To quantify the responses from the respondents, the researchers made use of five likert scale .To analyze the responses for inference, the authors employed percentages, mean and standard deviation. The results of the analysis indicated that contracting out of core brewery activities changed Nigerian brewery organizational behavior which adversely affected employee retention. The implications of the findings were as follows: i. rising employee turnover rate; ii. Increase in the long run recruitment costs; iii. It implied the Loss of trained staff. Based on the findings the authors recommended as thus: Nigerian should consider increase in work life balance; ii. Competitive salary structure and benefit must be maintained among other recommendations.

Key Words: Organizational Behavior, Employees retention and Nigerian Brewery

https://doi.org/10.46654/2jhz4439

1.1 INTRODUCTION AND BACKGROUND

In the local parlance, a house help whose master handles with utmost care would like to spend the rest of her life with the master. Unlike the house help whose master does not care about her welfare would like to leave the next day. In Human Resource Management (HRM) theory, Edward Lawler and Lyman Porter, discovered that absence of tangible and intangible rewards as the two aspects of organizational behavior results in job dissatisfaction, reduced in employee retention, high turnover rate, long run rising costs of training and lose of productivity. Organizational behavior has to do with the corporate policies guiding staff welfare as well as staff work environment. On the other hand, a situation in which employees feel valued, engaged and motivated to stay long in an organization is referred to as employee retention (Lawler., Porter, L, 1966).

A brief history of Nigerian breweries plc shows that the brewing industry is the largest brewery in Nigeria. It was founded by Heineken and United African Company (UAC) in 1946 and first established in Lagos. It began operation in 1949 with star as the first product. Between 1950 and 1960 maltina was added to the products. By 1970 Nigerian breweries plc became the leading brewery in Nigeria. Between 1990s and the early part of the 21st century, Heineken and Amsteel malt were brewed for the first time in Nigerian breweries plc. The brewery's major expansion in distribution network and innovations began in the early part of the 21st century. Currently, Nigerian breweries plc has eleven (11) plants located at Lagos, Aba, Kaduna, Ibadan, Enugu, Ijebu-ode, Awo-Omamma, Markudi and Uyo. The two malting plants are located at Aba and Kaduna. The brewery has two malting plants in Kaduna and Aba. In the 1970s.1980s and 1990s, Nigerian brewery plc was known for its competitive salary structure and attractive conditions of service.

In the early 2000s, Nigerian brewery began the program of automation with significant investment in IT infrastructure to enhance operational efficiency, streamline procurement processes, and improve supplier relationships. This gave rise to real time inventory management, accurate demand forecasting and improved supplier collaboration. This structural change has diverse economic and social implications. It displaced some jobs and created new jobs in the tech, maintenance and management sectors. However, it is suspected to have worsened inequality by potentially widening income disparities through job losses in certain roles especially those involving repetitive tasks. Suggestively, this automation program introduced job insecurity and fear of displacement which potentially increased stress, pressure to adapt to new tech and possible perception of reduced human interaction. The automation exercise was closely followed by contracting out of the core activities in the brewery while the management focused on brewing and distribution. The contracting out of the major industrial operations shifted the responsibility of staff welfare to external body which suggestively implied reduced job incentives and de-motivation of workers. More importantly most of the staff were made casual workers. Eventually, many of these workers were dissatisfied with the sudden observed change in Organizational behavior in terms of salary structure, regular payment of salary, ability to offer opportunity for employees self growth, etc. Therefore the general objective of this study was to examine the effect of organizational behavior on employees' retention in Nigerian breweries; while the specific objectives were as follows: i. To examine the effect of frequency of salary payment on employees' retention; ii. To examine the effect of salary structure on employees' retention iii. To examine the effect of under payment of salary on employees' retention in

Nigerian breweries. iv. To examine the effect of recognition of hard work on employees' retention in Nigerian breweries. V. To examine the effect of opportunity for self growth on employees' retention in Nigerian breweries. The study went further to address the following research questions: **i**. what was the effect of frequency in salary payment on employees' retention? ii. What was the effect of salary structure on employees' retention? What was the effect of under payment of salary on employees' retention? What was the effect of recognition of hard work on employees' retention? What was the effect of opportunity for self growth on employees' retention? It was then hypothesized that Frequency in salary payment has significant effect on employees' retention. Salary structure has significant effect on employees' retention. Under payment of salary has significant on employees' retention .Recognition for hard work has significant effect on employees' retention .Opportunity for self growth has significant effect on employees' retention. The outcome of the study would supply information for government planning especially on the area of improved welfare. The future researchers might find it useful as a reference document for further studies. It might be useful to government on area of planning and policy decisions on employment.

2.1 Conceptual Literature

Employee retention is the desire of the employee in an organization to stay long in an organization by reason of good and attractive conditions of service.

Employee retention is an act of reducing turn over. It is an act of increasing tenure or encouraging the employee to stay with the company for a long period. It is an act of boosting an engagement by creating a positive work environment that motivates employees to increase their tenure in the organization. Organizational Behavior (OB) is individuals or group's behavior within an organization to impact on the organization's performance and effectiveness through motivation that drives employees to work; through leadership style that influences employees to perform; through communication that brings cohesion among workers; through team work that encourages productivity. There are various approaches towards organizational behavior such as Google flexible work hours ,Zippo's open communication, Apples' Innovative Teams, Patagonia's Environmental Policies, Microsoft performance-based rewards, Amazon's Feedback Culture, Mike's Diverse Workforce, Coca-Cola employees ' Recognition, Face book flat organizational Structure, Toyota's Continuous Learning, Virgin Group Fun Work Environment, Dell's Employees' Empowerment, Procter and Gamble's Mentoring Programs, Starbuck's Positive Work Culture, and IBM'S Flexible Work arrangements. Employees have different levels of needs such as physiological needs, safety need, love need, esteem need, and self actualization need. Every employee considers whether to stay or leave any organization on the basis of their efforts and performance in the organization. Employees reciprocate positive treatment such as supports, recognition, with loyalty and commitment.

2.3. Empirical Literature

Gagne & Deli (2025) examined the effect of itself determination theory on work motivation and employee retention in Ugandan. The study employed primary data using survey methods. In other words the study employed a cross-sectional survey design with validated scales. Ordinary regression method was to the test the hypothesis. The outcome of the study discovered that self determination theory had significant positive effect on work motivation in Ugandan organizational.

Colauitt, Scott, Rowell, Long, Zapath, Conhon & Wesson (2023) examined the relationship between employee job change and job satisfaction and retention in Sudan. The study relied heavily on primary source of information ordinary least squares (OLS) technique was employed for inference. The outcome of study indicated that job change had significant negative effect on job satisfaction in Sudan.

Inegbedion, Inegbedion, Peter & harry (2022) examined the effect of work balance on employee retention in work organization in Helyion. These authors investigated the effect of ambiguity work overload or job tension on employed job satisfaction using survey research design. Ordinary least squares (OLS) method was employed to test the hypothesis. The result of the analysis indicated that job tension had significant negative effect on employee's job satisfaction and performance.

Kuranchie-Menseh & Ampensah-Tawis (2021) examined the effect of organizational behavior on employee retention among mining companies in Ghana. This study made use of cross-sectional survey design with validated scales. The following variables were tested and examined relationship with supervisors, recognition, responsibility, achievement, advancement and work result and their effects on employee's retention. Normality test was carried out on these variables using measures of central tendency such as mean, mode and median to determine the normality of the distribution of the date. In other words, it was an effort to determine whether the data maintain the normal civil. Ordinary least squares (OLS) methods were employed to test the hypothesis. The outcome of the study indicated that relationship with supervisor, work itself and achievement had significant positive effect on motivation in Ghana.

Caldham & Hackman (2020) examined the effect of work design on employee's retention. The study employed survey design. The objective here was to determine the effect of work design on employee motivation using ordinary least squares (OLS) method to use the hypothesis the outcome of the study indicated that work design relative to renewal had significant positive effect on the employee motivation.

Zafar, Ishaq, Shouket & Rivwan (2024) examined the determinant of employee job satisfaction in Pakistan the authors employed survey research design. In other words, the many source of information was employed to actualize the objective of the study. Ordinary least squares (025) method was employed. The result of the study indicated that work design had significant positive impact on employee's job satisfaction.

Zikisooka & Akampurira (2024) examined employee motivation and job satisfaction in Uganda. The study was carried out in Ugandan Breweries. The study employees a cross-sectional survey design with validated scales. The objective of the study was to determine the effect of motivational factors on employee. Satisfaction if examined the effect of intrinsic motivation on employee's satisfaction and the effect of extrinsic reward on employee's job satisfaction. Multiple regression method was employed to list the hypothesis the result the findings indicated that intensive motives had positive significant effects on employees job satisfaction.

Aslam, Anwar, klan, Abiodun & Rasheel (2024), examined the effect of extrinsic motivation on employee job satisfaction in class manufacturing industry. The study examined the effect of extrinsic motivators such as, formal recognition, promotion, advancement, pay, amenities, fringe benefits and a part on the back on employee job satisfaction and performance. To last the

hypothesis, the authors employed regression method. The assaults of the analysis indicated that formal recognition, pay and fringe benefits half significant posture effect on employees job satisfaction.

Christopher, Moses, Enosh, Ruth & Kommanda (2022) examined employee training and organizational performance. The authors studied African college of commerce and Technology in Kabale district South Western Uganda. The objectives of the study were the effects of skill, knowledge on the job experience and prior knowledge on the organizational performance. The authors employed survey research design ordinary least-squares **(OLS)** method was used to test the hypothesis. The outcome of the study indicated that job experience, level of education and skill had significant posture effects on organizational performance.

Emmanuel, Rebecca, Kazaara & Nicholas (2023) examined the effects of job training on the performance of local Government employees in Uganda. The objective of the study was to biroshgait the effects of formal and informal training on job performance and entire instructional performance. The researchers employed survey research design of course, the study relied heavily on primary source of information and questionnaire as an instrument of data collection ordinary least squares **(OLS)** technology was employed to test the hypothesis. The result of the analysis indicated that both formal and informal training had significant position effects on instructional performance.

Fandah, kazaana & kazaara (2023) examined the effect of intrinsic motivators on employee's job satisfaction. The study was carried out on muknaw group of companies in Uganda. The objectives of this study was to examine other effect of equal rewards for similar performance, the effect of employees extra on employee's Uwans and promotion on employees job satisfaction. The authors employed survey research design and questionnaire as instruments of data collection. The hypothesis was tested using ordinary least squares **(OLS)** technique. The results indicated that there was significant posture relationship between employee's job satisfaction and intrinsic rewards.

Gracious (2023) examined the effect of intrinsic reward on employees job satisfaction in electronic barking delivery in Uganda. The authors employed survey research design and primary source of information to actualize the objectives of the study. To test the hypothesis ordinary least square **(OLS)** method was employed the result of the analysis indicated that equity in the handling of the analysis indicated that equity in the handling of staff had significant posture effect on employee's job satisfaction.

3.0 THEORETICAL FRAMEWORK AND METHODOLOGY

3.1 Theoretical Framework

Herzberg's Two- factor theory-Hygiene factors: In line with this theory the following are the motivators that will induce employees to increase their tenure: salary, working conditions, recognition for hard work, self growth etc. All these impact on job satisfaction and employees' retention. Herzberg's two dimensional theory of motivation and dissatisfies recognizes achievement, recognition of contribution to the organization, responsibility, advancement and work itself as inducements for adequate efforts towards organizational goals. The main hygiene factors are relationship with the supervisors, working condition, interpersonal relations with

peers, personal life, money, status and security. These factors would serve to improve the impediments to positive work attitudes; if they deteriorate below the acceptable levels job dissatisfaction emerges. To encourage motivation, it is advocated that employers must encourage job enrichment, which implies making the job meaningful to the job holder to enable him derive satisfaction from the job. For instance, good job design helps the employee to derive recognition, a sense of achievement, growth and responsibility. What actually motivates an employee to work effectively are a challenging joy that allows a feeling of achievements, growth and responsibility as well as advancement, enjoyment of work itself and earned recognition. What dissatisfy workers are mostly peripheral to the job such as work rules, lighting ,coffee breaks, title, seniority rights, wages, fringe benefits and the like. When opportunities for meaningful achievements are eliminated, employees become sensitized to the environment and begin to identify faults in the organization. Five major factors stand out as strong determining factors of job satisfaction. These are achievement, recognition, job itself, responsibility and advancement (Lawler,E.,&Porter,L.,1967; Herzberg, F.,1966) . Edward Lawler and Lyman Porter discovered that most employees in an organization may like to elongate their stay in the organization if they are denied extrinsic reward only; but when they are denied both intrinsic and extrinsic rewards they would leave the organization at the least opportunity. If the employees fail to leave the organization due to lack of opportunity they become very tardy; and they develop poor attitude to work. At the least opportunity they absent themselves from work. All these are symptoms of dissatisfaction that culminate in the employee leaving an organization. In this study, the proxies for organizational behavior are frequency in the payment of wages, salary structure, recognition for hard work, reward for hard work, opportunity for self growth and training. All these factors jointly form organizational behavior that shapes employees' motivation or dissatisfaction with the organization that may result in the desire to eventually leave the organization. The proxy for employee retention is the inner warmth/self gratification due to the organizational behavior.

Hence employee retention is a function of pay, recognition for good performance, opportunity for self growth, functionally represented as: Employee retention=f(pay, salary structure, recognition for good performance, opportunity for self growth etc.).

3.2. Methodology

The study adopted a cross-sectional survey research design, purely qualitative approach. This section enables the researcher assess qualitative data that enable the author have divergent views of the subject. Through this approach, respondent's attitudes, behaviors and experiences are captured in the study. To convert the qualitative data to quantitative, questionnaires were structured and organized in likert scale. There are generally two approaches to collecting data about a research problem. One is the direct approach involving measurement or observation of the subject. The other is indirect approach involving interviewing of the respondent, distribution or administration of questionnaire using formal questionnaire administered by the structured questionnaire was organized in a Likert scale- five point Likert scale questionnaire, developed from research objectives that agreed with the research questions and hypothesis. A purposive sampling technique was adopted for this study. The researcher determined the sample size using Taro Yamane's formula as stated in Eboh (2009) (11.94)

$n = \frac{N}{1+N\,(e)2}$, Where n=sample size; N= number of items in the universe or population e^2 = square of maximum allowance for sampling error or level of significance.

N = $\frac{1166}{1+1166\ (0.05)2}$ = $\frac{1166}{3.915}$ = 297.82 aprox. = (298); Since there are three breweries with different populations, the sample size for each is determined by the sample size proportion adopting Cocham (1963) which is as follows:

k = $\frac{wi}{N}$ x n

Where K = sample size proportion

wi = number of employees for individual firm

N = population size

n = sample size

3.2.8. **METHOD OF DATA ANALYSIS**

To organize the responses for inference and decisions the following statistical methods were employed: likert scale, percentages and standard deviation.

4.1: PRESENTATION AND INTERPRETATION OF RESULTS

4.1.1Presentation of Results

Table 4.1 below presents the organized results of the analysis of the relationship between organizational behavior and employee retention in Nigerian brewery plc.

S/No	Item	SA 5	%	A 4	%	UN 3	%	D 2	%	SD 1	%	N	MEAN	S.D
1	Frequency in salary payment has significant effect on employees' retention in Nigerian breweries?	186	48	167	43.1	13	3.4	14	3.6	8	2.1	388	4.31	1.167
2	Change in salary structure has significant negative effect on employees' retention in Nigerian breweries.	183	47.2	108	27.8	7	1.8	61	15.7	29	7.5	388	3.91	0.903
3	Under payment of salary has significant negative effect on employees' retention in Nigerian breweries?	216	55.7	146	37.6	5	1.3	14	3.6	7	1.8	388	4.42	1.25
4	Lack of recognition for hard work has significant negative effect on employees' retention in Nigerian breweries	157	40.5	142	36.6	53	13.7	29	7.5	7	1.8	388	4.06	0.874
5	Lack of opportunity for self growth has significant negative effect on employees' retention in Nigerian breweries.	180	46.4	121	31.2	31	8	17	4.4	39	10.1	388	3.99	0.904
	Mean/Av. std deviation												4.138	1.021

Table 4.1 above reveals the responses from the respondents over the relationship between Nigerian brewery's organizational behavior and employee's retention between 2000 and 2025. The results of the analysis indicated that shift in corporate responsibilities in terms of welfare of staff had significant negative effects on employee motivation and job retention. Table 4.1 shows that 48% of the respondents seriously agreed that irregular salary payment resulting from contracting out of core industrial activities in Nigerian brewery had significant effect on employee job retention in Nigerian brewery; while 43.1% merely agreed. In other words, 91.1% either seriously agreed or just agreed that irregular payment of wages resulting from contracting out of the core industrial activities of Nigerian brewery influenced employee retention. 34% of the respondents were undecided; 3.6 % disagreed; while 2.1% seriously disagreed. Another aspect of the organizational behavior that influenced negatively employee retention was change in salary structure. 47.2% of the respondents seriously agreed that the worsening salary structure following the contracting out of core activities in the brewery depressed employee retention; while 27.8% merely agreed. In other words,75% of the respondents either seriously agreed or agreed that change for worse in the salary structure gave rise to worsened employee retention in Nigerian brewery. The rest of the remaining 25% were either undecided or disagreed or seriously disagreed. See table 4.1 above. Another aspect of the organizational behavior that influenced negatively employee retention was under payment of staff salary in the organization.55.7% of the respondents seriously agreed that under payment of staff salary gave rise to reduction in the employee retention; 37.6 % merely agreed; while 1.3% were undecided. 3.6% and 1.8% disagreed and seriously disagreed respectively. Contracting out of core industrial activities worsened recognition for hard work and motivation thereby reducing employee retention. Table 4.1 above, shows that 40.5% of the respondents seriously agreed that lack of recognition for hard work, gave rise to poor motivation and reduction in employee retention.3.6 % merely agreed ;while the rest of 22.9% of the respondents were either undecided or disagreed or seriously disagreed. Another aspect organizational behavior tested was opportunity for self growth.46.% of the respondents seriously agreed that contracting out of core industrial activities did not allow for staff self growth; while 31.2 %merely agreed . 8% of the respondents were undecided; 4.4%disagreed; 10.1% seriously disagreed. In other words, 77.6% of the respondents were in affirmation that lack of opportunity for self growth either seriously agreed or merely agreed that lack of opportunity for self growth seriously reduced job retention. The results have shown that the respondents were in affirmation in their opinion that organizational behavior has a strong relationship with employee retention which accounted for the aggregate mean 0f 4.138 and standard deviation of 1.021.

5.0 SUMMARY ON FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1. Summary of Findings

Harnessing the productive energy of an employee remains one of the most difficult things in Human Resource Management (HRM). This is what organizational behavior is all about; while employee retention is all about its effect on employee desire to continue with the organization. From the empirical findings, irregular payment of wages, uncompetitive salary structure, under payment of wages, non recognition of hard work/ poor reward for labor, withdrawal of growth opportunity and training following the structural change in Nigerian brewery referred to as change in organizational behavior gave rise to employee dissatisfaction and reduced employee retention. The contractors in a bid to make profit could not maintain the competitive salary

structure the brewery was known for. Apart from this, the workers were made casual workers which threatened job security.

5.2 Conclusion

The structural changes, the recent innovation that precipitated Changes in the organizational behavior in Nigerian brewery, resulted in irregular payment of wages, change in salary structure, and underpayment of wages, poor reward for labor and hard work, loss of opportunity for self growth, reduction in employee retention and growing turnover rate in Nigerian brewery. The implications of these findings were as follows: i. weighing the benefit of costs saving and flexibility against potential risks of loss of control and expertise by Nigerian brewery .ii. Long run rising training costs. iii. Loss of trained workers. iv. Decreased productivity and need for re-evaluation of work culture.

5.3. Recommendations

Based on the empirical findings, the following were recommended by the authors:

i. The brewery management as a matter of urgency must improve work balance
ii. There is need for competitive salary structure and staff benefits
iii. To motivate the employee for productive performance, there is need for good reward for hard work
iv. Growth opportunity and training for the staff must be provided
v. There is need for fostering a positive work culture

REFERENCES

Aslam, M., Anwar, S.M., Khan, M., Abiodun, N.L., & Rasheed, Z. (2022). The Effect of Extrinsic Behavior on employee retention in Glass Manufacturing Industry in Nigeria. International Journal of Multidisciplinary Research, 8(4): 123-140.

Caldham, H., & Hackmam, J.R. (2020). Not what it was and Not what it will be: The Future Jobs Research. Journal of Organizational Behavior, 31(23): 463-479.

Christopher, F., Moses, N., Enosh, M., & Ruth, T. (2022). Employee training and Employee Retention: A case Study of African College of Commerce and Technology in Kabele District, South Western Uganda.

Colquitt, J.A., Scott, B.A., Rodell, J.B., Long, D.M., Zapata, P., Conlon, D.E., & Wesson, M.J. (2023). Justice at the Millenium and a decade later: A Meta Analytic Test of Social Exchange and Effect based Perspective. Journal of Applied Psychology, 98(2): 199-214.

Emmanuel, E., Rebecca, N., Kazaara, A.G., & Nicholas, K. (2023). The effect of job training and employee Retention in Uganda. International Journal of Research, 7(2): 65-73.

Faridah, N., Kazaara, A.G., & Nicholas, K. (2023). The effect of implicit motivation on employee retention: A Case study of Mukwano Group of companies. International Journal of Human Resource, 7(3): 206-212.

Gagne, M., & Deli, E.L. (2025). Self determination Theory and work motivation of organizational Behavior, 26(3): 331-362.

Gracious, A. (2023). The effect of electronic banking on customers' service delivery: A Case study on Cairo Bank Uganda.

Herzberg, F. (1966). Work and Nature of Man, 1st Edition, World Publishing Company.

Hemamalini, P.H., & Washington, A. (2024). Employee motivation and valued reward as key to employee Retention. TSM Business Review, 2(2): 1-9.

Inegbidion, H., Inebgidion, E., Peter, A., & Harry, L. (2025). Perception workload balance and employees' Retention in work organization. Heliyon, 6(1): 160-173.

Lawler, E., & Porter, L. (1967). Antecedent Attitude of Effective Managerial Performance, Organizational Behavior and Human Performance. International Journal of Management, 2(1): 122-42.

Zafar, N., Ishaq, S., Shoukat, S., & Riwani, M. (2024). Determinants of employee motivation and its impact on Employee retention. International Journal of Human Resource Studies, 4(3): 50-69.

Zikusooka, E., & Akampurira, S. (2024). Employee motivation and retention: A case study of Uganda breweries. Metropolitan Journal of Academic Multidisciplinary Research, 3(10): 105-115.