

Relationship between Organizational Climate and Employee Loyalty of oil Serving Firms in Port Harcourt, Rivers State Nigeria

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Abstract: The study examined the relationship between organizational climate and employee loyalty of oil serving firms in Port Harcourt, Rivers State Nigeria. This study employed a quasi-experimental design, with a total population of 12,258 employees. A sample size of 387 was determined using Taro Yamane's formula, based on the researcher's knowledge of the population. Data were collected using structured questionnaires measured on a five-point Likert scale. Data analysis involved descriptive statistics and inferential statistics to examine the relationships between variables and test the study hypotheses. The findings revealed that job autonomy ($\beta = 0.373, p < 0.05$), reward ($\beta = 0.397, p < 0.05$), and recognition and encouragement ($\beta = 0.161, p < 0.05$) all have a significant positive effect on employee loyalty. These results align with existing literature, which suggests that autonomy enhances job satisfaction and engagement, while rewards and recognition contribute to employee retention and commitment. The study concludes that oil servicing firms can improve employee loyalty by fostering a work environment that promotes autonomy, implementing motivating reward systems, and establishing recognition programs. This research provides valuable insights for organizations aiming to enhance employee loyalty and retention in the highly competitive oil and gas sector.

Keywords: Organizational Climate, Employee Loyalty, Job Autonomy, Recognition and Encouragement.

INTRODUCTION

The importance of employee loyalty and engagement is indisputable for firms that must stay agile in a turbulent environment. Allen (2018) defined employee engagement as the emotional commitment which workers feel towards their firm and the action which they take to achieve the success of the firm; engaged staff shows care, enthusiasm, dedication and accountability. Employee engagement plays a paramount role in ensuring the success of any establishment. Most establishments have a culture which reflects the firm's mission, values and goals. Most firms have over time developed some activities to enhance loyalty and engagement of employees which has been a critical key factor that drives the firm's success (Allen, 2017). This aligns with the view that effective coordination of operational elements such as timelines, budget control, and regulatory compliance significantly enhances organizational performance and project outcomes (Torres, F. N. C. 2025) Loyal and Engaged employees show care by using discretionary effort. They do their best at all time to get a job done because they feel committed and accountable. They stand up for their firm because they are proud to be part of it, loyalty and engagement of employees further motivate them to find solutions to problem and create various ideas to improve the firm.

Robinson, Perryman and Hayday (2018) maintained that loyalty and engagement is a positive attitude which is held by the workers towards the firm and its values. A loyal and

engaged staff is aware of business context, and work with his colleagues in a way to ensure improved performance within the job for the organizational benefit. It is important for all organization to develop and nurture engagement so as to get the best from their employees.

Furthermore, Robertson-smith and Markwick (2019) asserted that loyalty is consistently shown as something given by the worker which can benefit the firm through commitment and dedication, discretionary effort, advocacy and using skills and talent to the optimal level and being supportive of the values and goals of the firm. They further maintained that a staff who is loyal feel a sense of attachment towards their organization, involving themselves beyond their role to that of the organization in totality.

Loyal workers invest his/herself fully for their work, with enhanced self-efficacy and a positive impact on wellbeing, which leads to enhanced employee support for the organization. The benefit of employee loyalty to firms is limitless and hence it is very important that organization develop strategies and activities to ensure the loyalty and engagement of their employees who are the drivers of the organizational success.

However, it is assumed that organizational climate may be relevant as a predictor of employee loyalty. Schneider, Ehrhart and Macey (2011) defined organizational climate as the shared perception of and the meaning attached to the practices, policies

and procedures, workers experience and the behaviours they observe getting rewarded and that are supported and expected, but Schneider, Ehrhart and Macey (2013) noted that organizational climate is an integrating and integral conceptual force in the larger world of organizational psychology and organizational behaviour. Organizational climate is the set of characteristics that leads to variations in firms work environment (Saungweme & Gwandure 2011). According to Balachandran and Thomas (2007), the dimensions of organizational climate are; welfare concern, Norms and standards, interpersonal relations, Recognition and encouragement, job security, reward, and job autonomy.

Haugnes (2016) examined the effect of organizational climate on work engagement in Oslo, Putter, (2010) examined organizational Climate and performance. Benzer, Young, Stolzmann, Osatuke, Meterko, Caso, White and Mohr (2011) examined the relationship between organizational climate and quality of chronic disease management.

Studies have been conducted to understand how organizational climate influences the functional activities in an organization. One of the most important studies was the impact of organizational climate on employees' behaviour toward specific phenomena such as intention to leave, job satisfaction, and sustainability organizational change (Glisson, Schoenwald, Kelleher, Landsverk, Hoagwood, Mayberg & Green, 2008). It is widely agreed that organizational climate influences an employee's organizational commitment.

However, there are limited studies in the service industry that can conclude which factors are better predictors of the employees' organizational commitment. The generalization of the model related to organizational climate is hardly achieved because every employee in an organization is unique (Gieter, Hofmans, & Pepermans, 2011). Organization climate is of great significance for the utilization of human relations and resources at all levels.

Organizational climate has a major influence on motivation, productivity and job satisfaction. It is also a major motivating factor responsible for satisfaction and dissatisfaction of employees and affects the quantum of their turnover (Singh, Chauhan, Agrawal & Kapoor 2011).

However, the previous studies were carried out in a different country with varied environmental features from that obtainable in the Nigeria workplace show scanty empirical evidence on the relationship between organizational climate and employee loyalty that serve as a gap in this study. The point of departure is to investigate how organizational climate can be helpful in enhancing the issue of employee loyalty in oil servicing firms. This research work differs from previous work because it intends to investigate if there is any relationship between organizational climate and employee loyalty in oil servicing firms in Port Harcourt.

Statement of the Problem

Loyalty of employee is a critical success factor, which if neglected becomes detrimental to the organization. Organizations are facing a problem relating to loyalty of skilled employees in recent time (Umoh, Amah & Wokocho, 2014) and such is also observed in the oil and gas industry as a result of low loyalty and engagement of employees. This observed low loyalty and engagement do manifested in the form of absenteeism, cynical behaviour and turnover which could negatively affect the success of the firm. Organizations are desperately in need of workers who are loyal and willing to act continuously in the favour of the firm, and such can only be achieved when there are loyal and engaged employees. Loyalty is vital because of its impact on absenteeism, motivation, performance and job withdrawal behaviour (Klein Beiker & Meyer, 2009).

The issue of how to get employee loyal and engaged to their work has over time become more challenging to most firms. Robertson-smith and Markwick (2009) stated that loyalty and engagement levels of workers varies according to varied biographical and personality characteristics. They noted that younger staff maybe positive when they just join the firm, however they become quickly disengaged, and highly extravert. Lack of loyalty and engagement poses several problems to the firm. Low engagement leads to high turnover of employee which cost the company in terms of resource development and hence reduces the firm's global competitiveness. The dynamic nature of man has made them to have the desire to work in different work place and hence discouraging the idea of remaining in one organization for a life time.

Cohen (1993) pointed out that one in every four staff wants to jump ship in the next few years.

When employees leave the firm continuously as a result of low engagement, such cost the organization in a bad light. Despite all attempt to achieving loyalty and engagement of employees in the oil and gas industry observation has shown that little result has been achieved.

This work seek to see how employee loyalty can be solves through a conducive organizational climate. Hence this study seek to examine if organizational climate in terms of job autonomy, fair, reward and recognition and encouragement can help enhance employee loyalty in the oil servicing industry in Port Harcourt.

Objectives of the Study

The aim of this study is to identify the relationship between organizational climate and employee loyalty of oil serving firms in Port Harcourt. Specifically, the objectives of the study are to:

- Identify the relationship between job autonomy and employee loyalty.
- Ascertain the relationship between reward and employee loyalty.
- Identify the relationship between recognition and encouragement and employee loyalty.

Research Hypotheses

Based on the research questions, the following hypotheses are hereby formulated for the study:

H₀₁: There is no significant relationship between job autonomy and employee loyalty.

H₀₂: There is no significant relationship between reward and employee loyalty.

H₀₃: There is no significant relationship between recognition and encouragement and employee loyalty.

LITERATURE REVIEW

Concept of Organizational Climate

Two research reports are examined as examples of research linking directly and indirectly the constructs of Organizational Climate and Organizational Commitment. The first research by Sepic, Bamowe, Simpson and McNabb (2016) addresses directly the relationships between Organizational Climate and Organizational Commitment. The second study by Shadur, Kienzle and Rodwell (2016) addresses Organizational Climate and employees' perception of involvement. Additionally, Turo Virtanen's chapter entitled, "Commitment and the Study of Organizational Climate and Culture," found in the Handbook of Organizational Culture and Climate, which was printed in 2000, is reviewed as an

example of contemporary thinking addressing the links between Organizational Climate and Organizational Commitment

Sepic, Bamowe, Simpson and McNabb's (2016) research argues that early assessment of Organizational Climate and commitment increases the probability of successful revitalization by detecting obstacles to change. The authors suggest that "interest in employee commitment and organizational identification has rekindled as managers refocus, set new strategies, and embrace organizational revitalization as a means to improving productivity, quality, and customer satisfaction. This revitalization is needed because of downsizing in the early 90s and a scarcity of skilled workers in the workforce.

Organizational climate and organizational culture are construct which are the gears used for conceptualizing the manner employee experience and describe their work settings (Schneider, Ehrhart & Macey, 2017). However, there exists a difference between the two construct. Organizational climate is the shared perceptions of and staff experience and the behaviours which they observe getting rewarded and that are expected and supported (Ostroff, Kinicki & Tamkins, 2017). Organizational climate over the years, mostly in 1960s and 1970s has dominated most research. There is a backward more in the investigation of organizational climate in the 1980s. However, from 1990s till date, there was a great transition which made the interest in organizational climate to have eclipsed the high attention on organizational culture (Schneider, Ehrhart & Macey, 2017).

Organizational climate is about the perception of the climate and about absolute measures. Although organizational climate in concept is abstract, it is normally related with job performance, satisfaction and morale of the employees. According to Hay Group (2019) cited in Noordin, Omar, Sehan and Idrus (2020), organizational climate research is the closest thing a firm can get to evaluate how well a firm uses its employees. They argued that research in organizational climate will held leaders to understand the connection between their actions and the climate they create for their employees. Noordin, Omar, Sehan and Idrus (2020) argued that organizational climate affects business performance by influencing workers motivation. A positive organizational climate can be a catalyst that will encourage engagement of staffs in the workplace. Similarly, Torres (2025) emphasized

that aligning planning, execution timelines, and compliance frameworks within organizational systems contributes to improved efficiency and sustainable performance outcomes. Armstrong (2003) maintains that organizational climate refers to those aspects of the environment that are consciously perceived by the members of the firm.

DIMENSIONS OF ORGANIZATIONAL CLIMATE

Reward

Reward system in organization plays an essential role in keep employees self-esteem high and passionate (Danish & Usman, 2010). Reward is a motivational factor which is capable of enhancing engagement of employees. Deeprose (2014) argued that good managers of firms reward employees by doing things that recognize their accomplishment and they reward people by given them tangible things according to employee's ability and skills which in turn make employee more engaged to their work.

Rewarding employees for their productivity has been the cornerstone of business and industrial success for centuries and financial reward that is fair enough has always been essential in managing performance of employee and ensuring their engagement over the years (Murphy, 2015). He argued that rewards are programmes and practices which influence people's action, it also has the ability to deliver positive result or consequences for the firm. Man is a rational and economic being whose main desire is to achieve or earn a reward that is motivating. When a worker get a fair reward, such leads to satisfaction which eventually result in engagement of the employee to his/her organization. There is low possibility that one will get engaged even when there is no fair reward. Employees in an attempt to achieving organizational goals, also seek to achieve their own goals from the organization. However, when such expectations of the employees are cut short, there is high likelihood that such employees will get disengaged in organizational employee can be rewarded based on various criteria's, we have the team base reward system, performance relate pay etc. It is worthy to note that irrespective of the reward system applicable in firms, such should be fair enough to ensure the engagement of employees.

Job Autonomy

The environment of work, is full of dynamism and uncertainty, however despite the varied characteristics of different organization, employees

still desire a high level of satisfaction in the workplace. Bradley, Taylor and Anh (2018) stated that job autonomy is one of the main factors that influences job satisfaction when employee are satisfied as a result of job autonomy, there is high tendency that there will be an increase in engagement. More autonomy is expected to be associated with higher engagement because the employee have more liberty to decide their work Schedule, Langfred and Moye (2017) observed a positive effect of job autonomy on job performance, this result because an individual with job autonomy will have a sense of perception of been trusted to execute a given task. This positive perception serves as an intrinsic motivation which enhances their engagement in the organization Elsass and Velga (2016) noted that job autonomy allow workers to restrict their exposure to stressor and give them ability to choose their tasks or give the worker the freedom to limit the more stressful tasks, hence reducing the feeling of threat thereby encouraging a positive copying behaviours. Leach, Wall and Jackson (2018) defined job autonomy as a practice the deals with the delegation of responsibility down the hierarchy in the organization in a manner to give the employee an enhance ability in decision making as it concern the execution of their work. In the banking industry, there are many employee who are professionals. Eaton-Walley and Lowe (2017) argued that professional workers experience of autonomy and independence are main characteristics in ensuring job satisfaction that result in employee engagement.

Recognition and encouragement

Employees enjoy a work environment where they feel valued and recognized. The feeling of recognition in employee can enhance their willingness to get engaged to the organization. Employee recognition increases good staff relations, raises morale of all employees in the organization and enhances smooth operations in the work place. According to Byrne (2020) cited in Alam, Saeed and Akter (2018), if organizations are to survive the present malaise in the economy, they have to achieve more productivity by their employees, not by slashing and cutting, but by nurturing, engaging and recognition of the employees.

Recognition is the acknowledgement or identification given for something. Kim (2018) sees employee recognition as a timely, formal or informal acknowledgement of a person's behaviour or that of a team which support the

goals of the organization and which has clearly exceed normal expectation. Schuler and MacMillan (2017) noted that recognition systems are important tool to integrate individual efforts with business strategic objectives by encouraging employees for work well done. In line with this, Alam, Saeed, Sahabuddin and Akter (2019) maintain that recognition systems are powerful tool of focusing attention within an organization. This imply that recognition fosters engagement of employees in the organization. Appreciation when is shown through recognition shows to employee that their work is valued.

Concept of Employee Loyalty

The idea of employee loyalty has dependably been a pivotal issue in each work put. Organizations that comprehend management standards and values dependably endeavor to guarantee employee faithfulness in the organization. Hooi (2018) sees employee loyalty as a mental connection or a

pledge to the organization and creates increased fulfillment. Fulfillment comes about because of a procedure of interior assessment and if a worker's desire level is met or surpassed, then fulfillment develops. Employee dedication then forms into a summed up passionate demeanour towards the organization. At the end of the day, the more fulfilled a employee is with respect to his or her workplace, the more probable that he or she will build up a feeling of responsibility towards the organization when all is said in done.

The effect of qualities, objectives and goals of the organization on Employee loyalty can be very surprising. Most employees incline toward an inviting workplace to extensive administration. In this way loyalty is portrayed by the solid wish to proceed with participation of an organization which assumes a positive part in maintenance of individuals in the organization Becker, Donna & Riegel (2017).

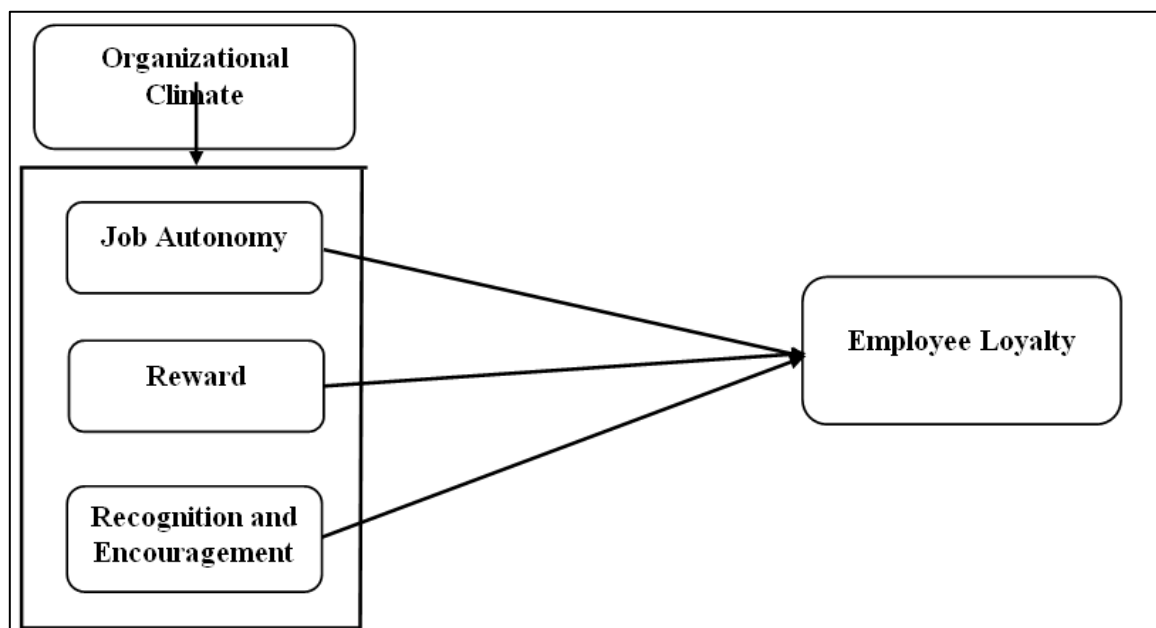


Fig 1. Conceptual Framework of the Relationship between Organizational Climate and Employee Loyalty

Source: Operationalized by the researcher 2025

REVIEW OF RELATED THEORIES

Organization Development Theory

Organization development theory is based on organizational climate, organization culture and organization strategies. This theory specifically defines organizational climate as the mood or unique personality of an organization. In addition, the theory argues that attitudes and beliefs about organization practices creates organization. This theory sheds light on the characteristics of organizational climate such as leadership, openness of communication, participation

management, role clarity and conflict resolutions, leader support and control.

Social Identity Theory

Social identity theory explains the person's concept of self-conscious from the group to which the person belongs. Also the theory tries to explain that an individual belongs to a group which determines his performance. Thus the person might act differently in varying social contexts according to the group he belongs to (Tuner and Tajfel, 1986).

METHODOLOGY

Research Design

This study adopted a quasi-experimental research design, which is appropriate for research involving human subjects where the researcher cannot control or manipulate the independent variables. The quasi-experimental design enables the researcher to study the effects of real-life variables in natural settings. It is widely used in social science research for assessing cause-and-effect relationships where random assignment is impractical or unethical.

Population of the Study

The population for this study comprises employees from six (6) major oil and gas servicing companies located in Port Harcourt. These companies include Shell Petroleum Development Company (SPDC), Nigerian Agip Oil Company (NAOC), Saipem Nigeria Limited, Elf/Total, Chevron Nigeria Limited, and Nigeria Liquefied Natural Gas (NLNG). These companies collectively employ approximately 12,258 workers.

Sample Size Determination

Given the large size of the population, a sample approach was deemed more practical and efficient than a census. This decision aligns with Okwandu (2007), who suggests using a sample when the researcher has a clear understanding of the population. The sample size of 387 respondents was determined using Taro Yamane's formula for finite populations. This formula ensures that the selected sample is statistically representative and manageable for data collection and analysis.

Data Collection Technique

The data used in this study were primary data, obtained through a structured questionnaire. This method was chosen because it allows for the efficient collection of standardized responses from a large number of participants. Structured questionnaires also make it easier to code, analyze, and compare responses, enhancing the reliability of the research findings.

Operational Measurement of Variables

Measurement in this study was guided by the principles of assigning numerical values to observed phenomena in a systematic manner, as

suggested by Okwandu (2007). Nominal measures were applied to demographic variables such as gender, organization name, and job role. The core variables of interest—job autonomy, reward, recognition, and employee loyalty—were measured using ordinal scales on a five-point Likert scale. Respondents were asked to rate their level of agreement with various statements, ranging from "Strongly Disagree" (1) to "Strongly Agree" (5). The Likert scale was adopted because of its suitability in capturing perceptions and attitudes in organizational research.

Validity and Reliability of the Instrument

To ensure validity, the questionnaire underwent expert review and a student surrogate assessment to evaluate the relevance and clarity of the items. This helped establish content validity, confirming that the instrument measured the intended constructs. Reliability was assessed using Cronbach's Alpha, which tests the internal consistency of the questionnaire items. A Cronbach's Alpha coefficient of 0.70 or above was considered acceptable, indicating that the instrument was reliable. The analysis was conducted using SPSS version 25.0.

Data Analysis Techniques

The collected data were analyzed using both descriptive and inferential statistical methods. Descriptive statistics, including frequencies, percentages, means, and standard deviations, were used to summarize the demographic profile and general trends in the data. For hypothesis testing and to examine the relationships between the independent variables (job autonomy, reward, and recognition) and the dependent variable (employee loyalty), inferential statistics such as regression analysis was applied. These techniques are suitable for exploring the strength and direction of relationships among variables in behavioral and organizational research.

RESULTS OF DATA ANALYSIS

A total of 387 questionnaires were distributed, and 377 completed questionnaires were successfully retrieved and used for analysis, resulting in a response rate of 97%, which is highly relevant for ensuring the robustness and reliability of the study's findings.

Table 1: Demographic Profile of Respondents (N = 377)

S/N	Demographic Variable	Category	Frequency (n)	Percentage (%)
1	Gender	Male	234	62.1%
		Female	143	37.9%
2	Age	20–29 years	98	26.0%

		30–39 years	142	37.7%
		40–49 years	89	23.6%
		50 years and above	48	12.7%
3	Educational Qualification	OND/NCE	55	14.6%
		HND/Bachelor’s Degree	201	53.3%
		Master’s Degree	95	25.2%
		Others	26	6.9%
4	Years of Experience	Less than 5 years	92	24.4%
		5–10 years	138	36.6%
		11–15 years	89	23.6%
		16 years and above	58	15.4%
5	Job Designation/Role	Administrative Staff	76	20.2%
		Technical Staff	151	40.1%
		Managerial Staff	97	25.7%
		Support Staff	53	14.0%
6	Marital Status	Single	144	38.2%
		Married	199	52.8%
		Divorced	21	5.6%
		Widowed	13	3.4%

The demographic profile of the 377 respondents reveals a predominantly male workforce (62.1%) in oil servicing firms in Port Harcourt, with the majority aged between 30–39 years (37.7%), indicating a relatively young and active employee base. Most respondents hold an HND or bachelor’s degree (53.3%), suggesting a well-educated workforce. In terms of work experience, the largest group (36.6%) has worked for 5–10 years, reflecting a moderately experienced labor force.

Technical staff made up the highest proportion of job roles (40.1%), which aligns with the operational nature of oil servicing firms. Additionally, more than half of the respondents are married (52.8%), pointing to a workforce with stable family responsibilities that may influence loyalty and job commitment. These demographic insights provide a meaningful context for analyzing the relationship between organizational climate and employee loyalty.

Table 2: Organizational Climate and Employee Loyalty

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.491	.987		1.512	.131		
	Job autonomy	.399	.042	.373	9.396	.000	.946	1.057
	Reward	.360	.040	.397	8.905	.000	.749	1.336
	Recognition and encouragement	.145	.041	.161	3.519	.000	.716	1.397

a. Dependent Variable: Employee loyalty

From the coefficients table (Table 2), it is evident that all three independent variables have a positive and statistically significant effect on employee loyalty. Job autonomy ($\beta = 0.373, p < 0.05$) and reward ($\beta = 0.397, p < 0.05$) show the strongest influence, while recognition and encouragement ($\beta = 0.161, p < 0.05$) has a relatively weaker, but still

significant, impact. The variance inflation factor (VIF) values are all below 2, and tolerance values are well above the threshold of 0.1, indicating no issues of multicollinearity. These findings highlight the importance of fostering a positive organizational climate to enhance employee loyalty.

Table 3: Analysis of Variance

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	322.512	3	107.504	99.242	.000 ^b

	Residual	404.051	373	1.083		
	Total	726.562	376			
a. Dependent Variable: Employee loyalty						
b. Predictors: (Constant), Recognition and encouragement , Job autonomy , Reward...						

The ANOVA table (Table 3) further supports the model's validity. The F-statistic of 99.242 and a significance level (p-value) less than 0.05 indicate that the overall regression model is statistically significant. This implies that the combination of job autonomy, reward, and recognition and

encouragement jointly contributes to explaining variations in employee loyalty. Therefore, the regression equation is reliable and the model as a whole is useful for predicting employee loyalty based on these organizational climate dimensions.

Table 4: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.666 ^a	.444	.439	1.041
a. Predictors: (Constant), Recognition and encouragement , Job autonomy , Reward				

The R Square value of 0.444 in Table 4 suggests that 44.4% of the variance in employee loyalty can be explained by the three predictors. The adjusted R Square of 0.439 confirms the model's goodness-of-fit, with a standard error of estimate of 1.041, indicating the average deviation between actual and predicted values.

DISCUSSION OF RESULTS

The findings showed that job autonomy has a significant positive effect on employee loyalty ($\beta = 0.373$, $p < 0.05$). This result aligns with the findings of Eaton-Walley and Lowe (2017), who noted that professional workers who experience autonomy and independence tend to have higher job satisfaction, which in turn leads to greater employee engagement. Similarly, Bradley et al. (2018) found that job autonomy is a key factor influencing job satisfaction, and when employees are satisfied, there is a higher likelihood of increased engagement. This result implies that when employees are granted the freedom to make decisions and exercise control over their work, they are more likely to remain committed and loyal to their organizations.

The findings also indicated that reward has a significant positive effect on employee loyalty ($\beta = 0.397$, $p < 0.05$). A reward system in an organization plays a crucial role in maintaining employees' self-esteem and passion (Danish & Usman, 2010). This suggests that fair and motivating compensation systems are essential for retaining employees and fostering their loyalty to the organization.

Additionally, the findings showed that recognition and encouragement have a significant positive effect on employee loyalty ($\beta = 0.161$, $p < 0.05$).

Although the effect is comparatively lower, this result indicates that acknowledging employee contributions and providing moral support are still vital for fostering loyalty. In line with this, Alam et al. (2019) assert that recognition systems are a powerful tool for focusing attention within an organization. Schuler and MacMillan (2017) also emphasized that recognition systems are important for aligning individual efforts with business strategic objectives by encouraging employees for a job well done.

CONCLUSION

This study investigated the relationship between organizational climate, specifically job autonomy, reward, and recognition and employee loyalty in selected oil servicing firms in Port Harcourt. The findings revealed that all three dimensions examined had a statistically significant and positive influence on employee loyalty. Job autonomy emerged as a strong predictor, indicating that when employees are granted discretion and control over their work, they are more likely to develop a strong psychological bond with the organization. Likewise, rewards and recognition significantly contributed to employee retention and dedication, emphasizing the importance of both tangible and intangible forms of appreciation in building a loyal workforce.

These findings align with Organizational Development (OD) Theory, which emphasizes that organizational effectiveness can be achieved through planned change, improvement in work culture, and the creation of supportive environments. By enhancing job autonomy, establishing fair reward systems, and cultivating a culture of recognition, organizations can create

climates conducive to loyalty and long-term engagement. Such interventions not only improve individual satisfaction but also contribute to overall organizational health and adaptability.

Moreover, the findings also resonate with Social Identity Theory, which suggests that individuals derive part of their self-concept from their membership in social groups, including the workplace. When employees feel empowered (through autonomy), valued (through rewards), and acknowledged (through recognition), they are more likely to identify positively with their organization. This strengthens their emotional connection to the firm and reinforces their desire to remain part of it. A strong organizational identity enhances loyalty, promotes cooperative behavior, and reduces turnover intentions.

RECOMMENDATIONS

- Oil servicing firms in Port Harcourt can enhance loyalty by decentralizing decision-making processes and fostering a culture of trust and independence in task execution.
- It highlights the need for oil servicing companies to develop and maintain structured reward systems—monetary or non-monetary—that recognize performance and foster a sense of value and appreciation among staff.
- Managers should prioritize regular feedback, public acknowledgment of achievements, and personal encouragement as part of their employee engagement strategies.

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