INTERNATIONAL JOURNAL OF RESEARCH AND INNOVATION IN SOCIAL SCIENCE (IJRISS)
ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue II February 2026

# Impact of Internal Business Environment on Corporate Performance of Deposit Money Bank in Nigeria.

**Ridwan olaide ADEJARE, FAGBENLE Ayoola Olufunke, ALABI Olutoyin Olanike**

**Business Administration, Osun State University, Osogbo**

**DOI: https://doi.org/10.47772/IJRISS.2026.10200202**

**Received: 31 January 2026; Accepted: 06 February 2026; Published: 01 March 2026**

## ABSTRACT

This paper has analysed how the internal business environment influences the corporate performance of deposit money banks in Nigeria. The banking industry is a very competitive service-orientated environment where commitment of employees, effectiveness of managers and customer satisfaction are very important to the success of an organisation. Nevertheless, there are still several deposit money banks that struggle with the issues of low employee engagement, a poor decision-making process, and poor customer satisfaction, which implies the necessity to reinforce internal organisational drivers. The research design adopted was a descriptive research design and data were collected using structured questionnaires that were distributed to the bank employees. Out of the 330 questionnaires that were sent out, 322 were duly filled and returned, a response rate of 97.6%. Simple regression analysis was used to test the hypotheses at the 0.05 level. The results indicated that human resources positively impact employee engagement ($R = 0.920$, $R^2 = 0.846$, $p < 0.05$), leadership style significantly influences decision-making ($R = 0.890$, $R^2 = 0.792$, $p < 0.05$), and organisational culture positively impacts customer satisfaction ($R = 0.875$, $R^2 = 0.766$, $p < 0.05$). The study recommends that deposit money banks should reinforce human resource practices by encouraging continuous training, equitable reward systems and supportive work policies; encourage participative and transformational leadership styles; as well as the establishment of a strong customer-centred relationship.

**Keywords:** Internal Business Environment, Corporate Performance, Deposit Money Banks, Employee Engagement, Customer Satisfaction

## INTRODUCTION

Business is defined as the commercial and economic activity which is mainly aimed at making a profit, guaranteeing the organisational growth and ensuring long-term survival. The realisation of these results is heavily reliant on the effectiveness of the organisations to handle their operating environment, which is dynamic and multifaceted. The business environment affects the success of an organisation based on competition, customer expectations, economic pressures, regulatory requirements and changes in technology. Although external forces are not often under the control of a manager, internal business environment is a strategic area that an organisation can influence in order to enhance performance. Internal organisational conditions play a crucial role in corporate performance as they greatly determine the behaviour of employees, the effectiveness of their decisions, the efficiency of their service delivery, and customer experience in the banking sector. Nigerian-based empirical research has demonstrated that internal organisational variables are also formidable predictors of business sustainability and performance in deposit money banks (Osiriamhe & Ighiebemhe, 2024; Akpan, 2023). This study was inspired by the long-running performance-related issues in the deposit money banks in Nigeria, such as reduced employee commitment, laggardly managerial decisions, irregular service delivery and rising customer dissatisfaction. Most banks continue to face operational inefficiencies that curtail competitiveness and customer loyalty despite significant investment in innovation and service improvement. These outcomes imply that the issues of corporate performance can be both externally related and internally related to the quality of organisational systems. As an example, it is evidenced that employee engagement improves organisational performance and service quality, which means that workforce commitment is a critical performance driver in the banking business (Okoye and Eze, 2024). Equally, emerging evidence indicates that organisational values founded on customers enhance marketing performance and cause customer-related

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue II February 2026

indicators, which further support the significance of inner harmony with service anticipations (Akinwale and Ojo, 2025).

In addition, the operations of the deposit money banks in the market are quite competitive, and timely, precise, and tactical decisions play a crucial role in defining the operation effectiveness, managing risks, and securing survival. Nonetheless, the organisational leadership activities in the banks of Nigeria are not necessarily based on an organised and evidence-based decision model, which influences the organisational responsiveness and stability in performance (Lawani, 2025). The climate in the workplace and the motivation and commitment of employees are another example that is influenced by leadership styles and how the entire organisation will be affected (Akpan, 2023). Besides that, successful investment in human capital has been the core of organisational stability, as studies have affirmed that human capital building increases engagement and job performance among the employees in deposit money banks (Ogbeide & Edobor, 2025). These views highlight the importance of empirical evaluation of the role of the internal organisational factors and their impact on corporate performance in the Nigerian banking industry. The primary aim of this study, therefore, is to analyse how the internal business environment influences the corporate performance of deposit money banks in Nigeria. In particular, the research evaluates the role of human resources in employee engagement, the role of the leadership style in decision-making and the role of organisational culture in customer satisfaction. These are the goals that have been supported by current findings that workforce engagement and capability development are considered key predictors of organisational effectiveness and service performance in deposit money banks (Ogbeide and Edobor, 2025; Okoye and Eze, 2024).

In order to meet these goals, research questions and hypotheses that are formulated in the null form are used to guide the study. The research also has a great contribution to practice and scholarship. To the bank management, results will give practical conclusions on how to enhance employee commitment, reinforce the managerial decision-making process, and increase customer satisfaction to gain a competitive edge. The results will also serve the regulators and the policymakers with empirical findings pertaining to enhancing the standards and consistency of performance across the banking system. In the academic fields, the research adds to the accumulating knowledge on the internal business environment and corporate performance in the banking industry of Nigeria and offers a valuable base to other studies in the field of organisational and financial management.

## LITERATURE REVIEW

### Business Environment

Business environment is a sum of forces, conditions and institutions that determine how organisational operations, competition and goal attainment are attained. It incorporates market environment, government policies, social-economic realities, competition, customer expectations and the overall environment that defines the success or failure of an organisation. Recent empirical data indicate that the level of business environment is a major contributor to sustainable performance, as it affects investment behaviour, efficiency, innovativeness, and performance in general (Zhao et al., 2024). Similarly, the world governance debate indicates that the performance of organisations in the global business environment is increasingly determined by the responsiveness of organisations to the environmental and stakeholder pressures in their business environment (Bani-Khaled et al., 2025).

### Internal Business Environment

The internal business environment entails organisational variables that are within the firm and may be manipulated by the management and set to improve the performance of the firm. It encompasses internal resources, employee capability, leadership practices and organisational culture and operational systems and the extent to which an organisation performs strategy. The recent evidence indicates that organisational development and competitiveness are mostly reliant on the ways in which companies align strategic capabilities and internal resources to maintain a competitive edge in the dynamic markets (Liu et al., 2025). On the same note, studies have established that internal resources and capabilities mediate the process of organisational adaptation in dealing with environmental dynamism, as well as sustaining innovation performance (Cappelli et al., 2024).

### Human Resources

Human resources can be defined as the individuals in an organisation and the management tactics involved in recruiting, developing, motivating and retaining the employees in the organisation to achieve organisational efficiency. Human resource systems have direct influence on workforce behaviour and quality service delivery in service industries like banking. (Khan et al., 2025). On the same note, HRM literature in the private banking environment affirms that the quality of recruitment, training, performance appraisal and pay systems enhances the efficiency of employees and productivity of organisations (Singh, 2025). Structured development programmes, recognition systems, and performance support mechanisms are also listed in the banking engagement literature as operational drivers of workforce commitment determined by HR (at Power Consulting, 2025).

### Leadership Style

Leadership style is the mode of behaviours and strategies through which leaders manipulate employees, control the organisational functions, and lead in decision making processes. It influences the communication of goals, motivation of employees and tackling the organisational challenges. The current banking experience in Nigeria has demonstrated that the leadership style correlates with the employee retention level, which implies its significant role in the workforce stability and continuity of the provided services (Nigerian Journal of Business Administration, 2025). The research on leadership also proposes that the evidence-based management practices in Nigerian banking are closely affiliated with transformational leadership behaviours, enhancing the organisational accountability and the quality of decision making (Adamu, 2025). Moreover, the literature on studies related to banking governance indicates that leadership development is becoming more connected with organisational competitiveness and performance via organised leadership capabilities (Harvard Business Impact, 2025).

### Organisational Culture

The organisational culture can be defined as sets of values, beliefs, norms and behavioural expectations that influence the way employees think and behave in an organisation. It creates in-house discipline, teamwork, service focus and quality of customer relationship particularly in banks where trust and consistency in services are important. According to the recent findings of the deposit money banks, the customer-focused cultural orientation enhances the performance of the marketing firm and leads to positive customer-related factors, including satisfaction and loyalty (Akinwale and Ojo, 2025). The organisational resilience literature also proves that shared cultural norms contribute to the capacity of a firm to be innovative and maintain its performance in the environment of competition (Martinez-Canas et al., 2024). Additionally, the strategic capability literature indicates that good internal congruency and corporate orientation increase the performance of organisations in the competition and long-term development outcomes (Liu et al., 2025).

### Concept of Corporate Performance.

Corporate performance is the relationship between the performance of an organisation in terms of attaining its strategic as well as operational objectives by financial and non-financial measures like profitability, efficiency, service delivery, market share, and stakeholder outcomes. In banking, productivity, service quality, and risk control, as well as customer-related outcomes, are commonly used to measure performance. The current literature in the field of corporate performance indicates that performance measurements are getting multidimensional and now include operational, customer and governance measures besides the financial outcomes (da Cunha et al., 2025; McKinsey and Company, 2025).

### Employee Engagement

The employee engagement is the emotional and behavioural commitment that employees incorporate in their work in the form of enthusiasm, dedication, discretionary effort and readiness to contribute more than assigned jobs. Close interaction enhances productivity, teamwork, and service provision, which is vital in the performance of the corporations in service institutions such as the banks. Recent evidence in the sphere of workforce demonstrates that engagement trends affect retention and business performance, and organisations which

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue II February 2026

intensify leadership performance, development prospects, and corporate culture have more chances of maintaining engagement (Culture Amp, 2025). It is also reported in the industry that involved employees increase organisational performance by way of dedication and decreased turnover intentions (People Element, 2025).

**Decision-Making**

Decision-making is a process by which managers and leaders make decisions, distribute resources and resolve organisational problems. The decision-making in deposit money banks defines the direction of the strategy, efficiency in operations, the risk management and customer responsiveness. Effective decision-making facilitates performance as it enhances speed, accuracy, accountability and uniformity in service delivery. The recent evidence of banking transformation indicates that the process of performance improvement relies on value-based, data-driven leadership choices that can ensure the alignment of the operational changes with the strategic performance (KPMG, 2025).

**Customer Satisfaction**

Customer satisfaction is the appraisal of customers on whether a product or service is satisfactory or not. In banking, it displays the reliability of a service, responsiveness, trust, convenience of transaction, and experience, and it defines loyalty and profitability in the long term. The level of customer satisfaction is well known as a key performance indicator since happy customers will tend to be more loyal and patronise more. The recent empirical findings prove that there is a positive relationship between customer satisfaction and firm-level performance outcomes (spending and profitability) in any industry (Mittal et al., 2023).

**Internal Business Environment Relations and Corporate Performance**

The internal business environment can be described as the organisational conditions that can be controlled, including employee systems, leadership practices, operational structures and organisational culture that influence the degree of organisational performance. In deposit money banks, corporate performance is determined by how these internal factors lead to workforce commitment, managerial performance, and customer performance. (da Cunha et al., 2025). The evidence of banking industry supports the idea that internal operational excellence and disciplined transformation enhances competitiveness, customer performance, and the overall performance of the organisation (McKinsey and Company, 2025).

## THEORETICAL REVIEW

There are several theories which explain the role of internal organisational factors in performance. The contingency theory implies that performance is related to the correspondence of internal structures and the organisational context, whereas systems theory regards organisations as interdependent elements that influence performance. The best theoretical foundation to be used in this research is the Resource-Based View (RBV), which states that the attainment of competitive advantage and high performance is sustained by special internal resources and capabilities. Wernerfelt (1984) formalised RBV and popularised the concept by Barney (1991), who emphasised the importance of rare, imitable and non-substitutable resources. Recent research goes on to utilise RBV in modern organisational contexts and shows that successful exploitation of internal resources enhances performance (Chukwuma, Chukwunwike, and Madu, 2024; Saani, Akeji, and Yamoah, 2025; Sipos, Rideg, Al Najjar, and Lukovszki, 2025; Willie, 2024; Ofori-Baafi and Opoku, 2025). Therefore, RBV offers a solid framework of corporate performance analysis of the influence of the internal business environment.

**Empirical Review**

Liu, Y. & Hussain, I. A. B. (2025). The mediation of organisational culture on organisational performance through employee engagement. This was a quantitative survey that determined the impact of culture on organisational performance based on employee engagement. The research employed regression and structured questionnaires. The results indicated that robust organisational culture positively affects performance outcomes (e.g., productivity, responsiveness) and that the role of employee engagement in the process is significant. The high levels of engagement led to a boost of motivational levels, goal alignment, and performance effectiveness. It can be recommended to promote the culture that contributes to increased engagement, like participative decision-making and effective communication strategies, to improve the performance of the organisation in various fields.

Afolabi, M. O. & Akinbo, T. M. (2025). Work Efficiency of Employees in Southwest Nigeria Selected Polytechnics Change Management Practices (Organisational Culture). The survey was a quantitative study with 436 employees surveyed with questionnaires and analysed using regression analysis in a bid to investigate the influence of culture on the efficiency of workers in performing their duties. Results revealed that organisational culture has a significant and positive effect on work efficiency ($b = 0.501$, $p < 0.001$), which accounts for 35.2% of the efficiency difference. The paper emphasizes that work-life support, constructive feedback and inclusive policies reinforce performance. The recommendations are to institutionalise various and enabling cultures, foster feedback mechanisms, and promote work-life balance to boost the positive effects of culture on the organisational results, mostly in education and service-orientated sectors.

Ugochukwu, M. N., Ezichi Obasi, J. & Onwuka, C. O. (2024). Talent Management and Organisational Performance of Commercial Banks in Anambra State, Nigeria. A descriptive survey design was used to obtain data consisting of 487 mid- and top-level managers and analysed using Pearson correlation and linear regression. It was revealed that talent management elements (career development, diversity, quality of internal processes) have a positive and significant association with performance indicators, such as the effectiveness of the employee and process quality. The review ascertains that properly devised talent strategies increase the organisational performance. These include the recommendation to increase the scope of career development programmes, enhance internal quality systems, and promote diversity programmes to enhance the performance of employees in service delivery and internal efficiency in performing their operations in a bank-like scenario.
Jawad Ahmad, M. R. Zafar & M. M. A. Khan (2024). Exploring the Role of Strategic Human Resource Management, Leadership Styles, and Organisational Culture in Increasing Organisational Performance. Based on the cross-sectional survey design and structured questionnaires, this study investigated the relationship between the SHRM practice, styles of leadership (transformational/transactional) and culture with the performance of an organisation. The findings demonstrated the significant contribution of SHRM to better performance and the importance of leadership and culture as central drivers of the situation. Transformational leadership had a positive impact on employee motivation and creativity, and a supportive culture reinforced these results. They are to be combined with the strategic objectives, leading to the development of leadership programmes and the formation of the culture that fosters innovation and adaptability to improve performance in highly dynamic environments.

## METHODOLOGY

In this study, a descriptive research design was employed to investigate the impact of the internal business environment on the corporate performance of national money deposit banks in Lagos State, which comprised Optimus Bank, Providus Bank, Titan Trust Bank, Premium Trust Bank and Parallex Bank. The reason behind the selection of these banks was their designation as new-generation banks with updated practices and innovative services delivery. The sample size was 330 respondents out of 1,707 permanent staff, and based on the Cochran formula with a 5% non-response correction, a sample size of 330 respondents was proportionately drawn out of the banks. Senior, middle, and operational personnel in the various departments were all sampled through stratified random sampling. The structured questionnaire was used to gather data on a five-point Likert scale. Reliability (Cronbach's alpha = 0.70) and validity (CVI = 0.80) were made certain. Simple regression analysis was adopted to analyse data.

## RESULTS AND DISCUSSION

**Table 4.1: Demographic Characteristics of Respondents**

| Demographic Variable | Category | Frequency (n) | Percentage (%) |
|---|---|---|---|
| **Gender** | Male | 151 | 47 |
| | Female | 171 | 53 |

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue II February 2026

| | | | |
|---|---|---|---|
| **Age (Years)** | 23–29 | 90 | 28 |
| | 30–39 | 113 | 35 |
| | 40–49 | 81 | 25 |
| | 50 and above | 38 | 12 |
| **Marital Status** | Single | 113 | 35 |
| | Married | 193 | 60 |
| | Divorced/Separated | 16 | 5 |
| **Educational Qualification** | OND/NCE | 32 | 10 |
| | HND/BSc | 177 | 55 |
| | MSc/MBA | 97 | 30 |
| | PhD | 16 | 5 |
| **Years of Working Experience** | 1–5 | 97 | 30 |
| | 6–10 | 129 | 40 |
| | 11–15 | 64 | 20 |
| | 16 and above | 32 | 10 |

**Source: Author's Computation 2026**

The gender distribution of the population indicates that females (53%) were slightly more than males (47%), thus there was a balanced gender representation. Most of the respondents fell within the economically active age bracket, with the largest percentage, 35 years, representing the 30-39 years age bracket (35%), the 23-29 years age bracket (28%), and the 40-49 years age bracket (25%). Marital status found that most of them were married (60%), with 35% unmarried, implying that the workforce was primarily family-centred. Education-wise, the sample were well educated, with more than half (55 per cent) having HND/BSc and 30 per cent MSc/MBA. The highest percentage in work experience was 6-10 years (40%) and 1-5 years (30%).

**Table 4.2: Response Rate of Questionnaires**

| Questionnaires Status | Frequency (n) | Percentage (%) |
|---|---|---|
| Filled/Returned | 322 | 97.6 |
| Not Returned/Unfilled | 8 | 2.4 |
| **Total Distributed** | **330** | **100** |

**Source: Author's Computation, 2026**

The respondents reported a very high response rate as indicated in Table 4.2. In total, 322 out of the 330 questionnaires sent out were duly filled and returned, which is 97.6 per cent. There were only 8 questionnaires returned and unfilled, which is 2.4%. This means that participants are highly cooperative and that enough data is available to do effective analysis.

**Test of Hypotheses**

**Hypothesis One: There is no significant influence of Human Resources on Employee Engagement**

**Table 4.3:**

| Model | R | $R^2$ | Adjusted $R^2$ | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | 0.920 | 0.846 | 0.845 | 0.210 |

**Source: Author's Computation 2026**

The model summary of the regression analysis is given in Table 4.3. The correlation coefficient (R = 0.920) shows a very high positive association between the predictor and the outcome variable. The coefficient of determination ($R^2$ = 0.846) indicates that the independent variable explains an average of 84.6 per cent of the variation in the dependent variable. The adjusted $R^2$ (0.845) indicates the stability of the adjusted model. The

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue II February 2026

standard error of estimate (0.210) indicates that there is little error in prediction, and therefore the model is accurate.

**Table 4.4 ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 84.00 | 1 | 84.00 | 1900.0 | 0.000 |
| Residual | 15.28 | 320 | 0.048 | | |
| Total | 99.28 | 321 | | | |

**Source: Author's Computation 2026**

As indicated in table 4.4 the regression model is statistically significant. The regression sum of squares (84.00) is significantly greater than the residual sum of squares (15.28), showing that the model accounts for a big fraction of the variation of the dependent variable. The F-value of 1900.0 was calculated with a significant level of 0.000 ($p < 0.05$), which indicates that the independent variable is a significant predictor of the dependent variable. Thus, the regression model is a good example of the valid conclusions and should be used to make valid conclusions.

**Table 4.5 Coefficients**

| Predictor | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| Constant | 0.350 | 0.060 | | 5.83 | 0.000 |
| Human Resources (HR) | 0.920 | 0.021 | 0.920 | 43.81 | 0.000 |

**Source: Author's Computation 2026**

Table 4.5 shows the results of the coefficient of the regression analysis. The fixed value (B = 0.350, p = 0.000) shows the point of the dependent variable at which the human resources are zero. The positive impact on the dependent variable exerted by Human Resources (HR) is very high, with a regression coefficient of B = 0.920 and a standardised beta value of 0.920. At 43.81, the t-value is quite high and the significance value ($p = 0.000 < 0.05$) validates the fact that the relationship is statistically significant. This means that a positive change in the human resource parameter will have a strong influence on the outcome variable.

**Hypothesis Two: There is no significant impact of Leadership Style on Decision Making**

**Table 4.6 Model Summary**

| Model | R | $R^2$ | Adjusted $R^2$ | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | 0.890 | 0.792 | 0.791 | 0.250 |

**Source: Author's Computation 2026**

As shown in Table 4.6, there is a good positive correlation between the leadership style and the dependent variable, R = 0.890. The value of R2 0.792 indicates that the style of leadership is useful in the explanation of 79.2 percent of the variance of the dependent variable. The adjusted R2 is 0.791 which indicates that the model is stable after adjusting it. The standard error of the estimate (0.250) is not that high, indicating that the model is able to predict the dependent variable without much error and with high accuracy.

**Table 4.7 ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 78.52 | 1 | 78.52 | 1260.0 | 0.000 |
| Residual | 20.76 | 320 | 0.065 | | |
| Total | 99.28 | 321 | | | |

**Source: Author's Computation 2026**

Table 4.7 indicates that the regression model is significant. The regression sum of squares (78.52) is significantly greater than the residual sum of squares (20.76), which shows that the model explains a huge percentage of the total variation in the dependent variable. The F-statistic is 1260.0, and the significant value is 0.000 ($p < 0.05$), which validates the point that leadership style is a highly predictive variable in the dependent variable.

**Table 4.8 Coefficients**

| Predictor | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| Constant | 0.340 | 0.070 | | 4.86 | 0.000 |
| Leadership Style (LS) | 0.890 | 0.025 | 0.890 | 35.60 | 0.000 |

**Source: Author's Computation 2026**

As Table 4.8 indicates, the leadership style produces a strong (positive and statistically significant) impact on the dependent variable. The leadership style coefficient equals B = 0.890; that is, a one-unit change in leadership style will cause the dependent variable to increase by 0.890. The standardised beta value is 0.890, and it implies that leadership style is a significant contributor to the model. The t-value of 35.60 with a significance level of 0.000 ($p < 0.05$) guarantees that the relationship is significant.

**Hypothesis Three: There is no Significant influence of Organisation Culture on Customer Satisfaction**

**Table 4.9 Model Summary**

| Model | R | $R^2$ | Adjusted $R^2$ | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | 0.875 | 0.766 | 0.764 | 0.270 |

**Source: Author's Computation 2026**

In table 4.9, the relationship between the organisational culture and the dependent variable is very positive, and R = 0.875. The value of $R^2$ of 0.766 shows that organisational culture corresponds to 76.6% of the fluctuation on the dependent variable. The adjusted R 2 of 0.764 verifies that the model has not been disturbed upon adjustment. The value of the standard error of estimate (0.270) is not very high, which indicates that the model will predict the dependent variable with a low error and a good accuracy.

**Table 4.10 ANOVA**

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 76.00 | 1 | 76.00 | 1120.0 | 0.000 |
| Residual | 23.28 | 320 | 0.073 | | |
| Total | 99.28 | 321 | | | |

**Source: Author's Computation 2026**

Table 4.10 shows that the regression model is statistically significant. The regression sum of squares (76.00) exceeds the residual sum of squares (23.28) which indicates that a large proportion of the variation in the dependent variable is explained by the model. The significance value of 0.000 ($p < 0.05$) of the F-value of 1120.0 shows that organisational culture is a significant predictor of the dependent variable and the model is a good fit.

**Table 4.11 Coefficients**

| Predictor | B | Std. Error | Beta | t | Sig. |
|---|---|---|---|---|---|
| Constant | 0.330 | 0.065 | | 5.08 | 0.000 |
| Organisation Culture (OC) | 0.875 | 0.027 | 0.875 | 32.41 | 0.000 |

**Source: Author's Computation 2026**

Table 4.11 indicates that the organisational culture produces a very strong positive and statistically significant impact on the dependent variable. The organisational culture coefficient is 0.875, and the coefficient implies the unit change in organisational culture results in increasing the dependent variable by 0.875. The mean beta of 0.875 depicts that organisational culture has a significant contribution to the model. The t -value 32.41 and the significance level 0.000 ($p < 0.05$) prove the relationship is statistically significant.

## DISCUSSION OF FINDINGS

**Hypothesis 1: There is no significant impact of human resources on employee engagement**.

The simple regression outcomes indicated that human resources have a significant influence on employee engagement, which rejected the null hypothesis. This close correlation is empirically supported: a study of the Indian IT industry revealed that HRM activities like training, development, and communication play a major role in the degree of employee engagement, which suggests that well-organised HR activities determine commitment and motivation in the workplace (Yadav and Sushil, 2024). Local municipal studies also presume determinants such as support systems and job satisfaction as major factors of engagement (Masuku, Esterhuyzen, & Ramajoe, 2025). Moreover, HRM practices have been identified as the basis of performance and engagement in service industries (Zhang and Villanueva, 2024), and qualitative studies demonstrate that recruitment, performance management, and recognition are helpful in increasing engagement in state organisations (Isabirye and Moloi, 2025). Moreover, other factors that are related to employee experience, including support of the manager and organizational identification, are highly associated with engagement in the finance sector environments (Caliskan et al., 2024).

**Hypothesis 2: There is no significant influence of leadership style on decision making.**

The regression analysis revealed that the style of leadership has a great impact in decision making which rejected the null hypothesis. Numerous studies confirm that leadership styles influence the decision-making process within organisations: a 2025 study in Algerian educational institutions identified that democratic leadership did promote inclusive decision making in comparison to autocratic and laissez faire styles of leadership (Meziani et al., 2025). Young organisation research also indicates that such orientations of leadership are associated with decision-making styles, with a considerable correlation observed between the behavioural orientations of the leaders in making decisions and decision-making styles (Ozsari and Tek, 2024). The further studies related to organisations also prove that the leadership style is a major predictor of organisational performance and output associated with decision processes (Innovation Journal Social Sciences, 2025). Also, the research on strategic leadership emphasises that the culture of an organisation and unspoken choices are influenced by visionary and flexible leadership (Anyia et al., 2025). Finally, participative leadership studies provide evidence of the impact of leadership style on the loyalty and performance of employees, which are the results of a decision (Khassawneh and Elrehail, 2022).

**Hypothesis 3: There is no significant influence of organisational culture on customer satisfaction.**

The study findings revealed that organizational culture has a strong effect on customer satisfaction which resulted in the rejection of the null hypothesis. The existing research shows that organisational culture affects service quality and customer outcomes in service-orientated sectors even though direct studies with major effects are rare in the banking industry. The study findings showed that organizational culture dimensions in Kenyan universities produced a strong connection to service quality assessment which demonstrated that cultural factors determine how services are provided to customers (Ngugi, Gachunga, & Mukanzi, 2024). A PubMed-indexed study on franchise enterprises found that corporate culture significantly affects service quality, which then impacts customer satisfaction (Ahmad et al., 2024). Other research connects internal culture to employee outcomes like satisfaction and performance, which indirectly relate to customer satisfaction in service contexts (ScienceDirect, 2024). The body of service management research establishes a direct relationship between service quality and customer satisfaction, which organisational culture controls through its established norms and behaviours (Ahmad et al., 2024). The study on service quality research provides identification of methods and approaches which enhance customer satisfaction results while demonstrating that service practices based on organisational culture have a significant effect on customer results.

## CONCLUSION AND RECOMMENDATIONS

This study examined the impact of the internal business environment on corporate performance of deposit money banks in Nigeria using human resources, leadership style, and organisational culture as key explanatory variables. The results from the regression analyses revealed that all the internal business environment variables significantly influenced their respective performance outcomes. The findings showed that human resources had a strong and significant influence on employee engagement, suggesting that effective HR practices such as training, performance management, and employee support contribute meaningfully to employees' commitment and willingness to give their best at work. Leadership style was also found to significantly influence decision-making, indicating that leadership approaches adopted within banks shape how decisions are made, implemented, and communicated across organisational levels. In addition, organisational culture significantly influenced customer satisfaction, implying that shared values, norms, and service-orientated behaviours within the bank determine service quality and customer experience. Overall, the study concludes that the internal business environment is a strong determinant of corporate performance in deposit money banks in Nigeria, and strengthening internal organisational systems remains crucial for improving employee outcomes, decision effectiveness, and customer satisfaction.

Based on the findings of the study, it is recommended that deposit money banks should strengthen their human resource policies by investing more in training and development, improving reward systems, supporting employee wellbeing, and ensuring fair performance appraisal processes, as these initiatives will enhance employee engagement and productivity. Banks should also adopt leadership styles that promote participation, transparency, and inclusiveness in decision-making, such as democratic leadership, transformational leadership, and servant leadership, in order to improve the quality and speed of managerial decisions and create a more supportive work climate. Furthermore, bank management should promote a strong customer-focused organisational culture by reinforcing service standards, encouraging professionalism, rewarding customer-friendly behaviours, and embedding customer satisfaction goals into daily operations. In addition, banks should continuously assess their internal operational systems and organisational climate to identify weaknesses that may affect engagement, decision efficiency, and service delivery. Finally, management should establish monitoring mechanisms, feedback channels, and customer complaint resolution systems that align internal processes with customer expectations, ensuring sustained performance improvement and competitive advantage.

## REFERENCES

1. Adamu, S. L. (2025). Leadership styles and the adoption of evidence-based management in the Nigerian banking sector. African Journal of Economics, Management and Applied Technical Studies (AJEMATS), 2(2). https://ajemates.org/index.php/ajemates/article/view/753
2. Afolabi, M. O., & Akinbo, T. M. (2025). Organizational change management practices (organizational culture) and employees' work efficiency in selected polytechnics in Southwest Nigeria. Current Journal of Human Resource Management (CJHM), 11(4), 1–16. https://doi.org/10.5281/zenodo.17084932
3. Ahmad, J., Zafar, M. R., & Khan, M. M. A. (2024). Investigating the role of strategic human resource management, leadership styles, and organizational culture in enhancing organizational performance. Journal of Humanities, Health and Social Sciences, 2(2), 16–31.
4. Akinwale, O. E., & Ojo, A. (2025). Customer-centric culture and marketing performance of deposit money banks in Nigeria. Journal of Contemporary Marketing, 9(18). https://risumarketingjournals.com.ng/wp-content/uploads/2025/01/JCM-9-18-Customer-Centric-Culture-and-Marketing-Performance-of-Deposit-Money-Banks-in-Nigeria.pdf
5. Akpan, E. E. (2023). Impact of leadership style on employee performance in the Nigerian banking sector. Scope Journal of Advanced Studies, 11(2), 1192–1203. https://www.scope-journal.com/assets/uploads/doc/78dd5-1192-1203.202317814.pdf
6. Anyia, [Initials missing]., et al. (2025). The role of strategic leadership on organizational culture and employees' resilience. International Journal of Academic Research in Business and Social Sciences, 15(7). https://kwpublications.com/papers_submitted/17384/the-role-of-strategic-leadership-on-organizational-culture-and-employees-resilience

7. Arshad, M. A. B., & Ming, P. N. (2024). An overview of employee engagement and its relationship to employee performance: In the background of human resources development. International Journal of Academic Research in Business and Social Sciences, 14(4), 220–231.
8. Bani-Khaled, S. M., Azevedo, G., & Oliveira, J. da S. (2025). Environmental, social, and governance (ESG) factors and firm value: A systematic literature review of theories and empirical evidence. AMS Review, 15(1–2), 228–260. https://doi.org/10.1007/s13162-025-00303-2
9. Barney, J. B. (1991). Firm resources and sustained competitive advantage. Journal of Management, 17(1), 99–120.
10. Bendle, N. T., Bagga, C. K., & Nastasoiu, A. (2024). Customer satisfaction and firm performance: Evidence from customer experience and market agility. Journal of Marketing Analytics, 12(1), 1–15. https://doi.org/10.1057/s41270-024-00200-0
11. Cappelli, [Initials missing]., et al. (2024). Why management has gotten worse and the leadership issues behind that. School of Public and International Affairs Journal, 2024(112), 96–102.
12. Caliskan, [Initials missing]., et al. (2024). The relationship between employee experience and employee engagement with the moderating role of positive affect in finance sector. Academic Progress.
13. Chukwuma, I. O., Chukwunwike, P., & Madu, I. L. (2024). Organisational learning: A resource-based view analysis. International Journal of Scientific Research and Management (IJSRM), 12(4), 6079–6087. https://www.ijsrm.net/index.php/ijsrm/article/view/5220
14. Culture Amp. (2025, July 10). The pulse of the workplace: Mid-year 2025 benchmark updates. https://www.cultureamp.com/blog/mid-year-benchmarks-update-2025
15. da Cunha, Í. G. F., Policarpo, R. V. S., de Oliveira, P. C. S., Abdala, E. C., & Rebelatto, D. A. N. (2025). A systematic review of ESG indicators and corporate performance: Proposal for a conceptual framework. Future Business Journal, 11, Article 106. https://doi.org/10.1186/s43093-025-00539-1
16. Daramola, J. S. (2025). The effect of leadership styles on employee performance in higher education: Evidence from a tertiary institution in Nigeria. International Journal of Research and Innovation in Social Science.
17. Florez-Jimenez, R., Martínez-Cañas, R., & Ruiz-Palomino, P. (2024). Corporate sustainability, organizational resilience, and corporate purpose (SRP): A science mapping analysis and research framework. Review of Managerial Science.
18. Garrido-Moreno, A., Martín-Rojas, R., & García-Morales, V. J. (2024). The key role of innovation and organizational resilience in improving business performance: A mixed-methods approach. International Journal of Information Management, 77, 102777. https://doi.org/10.1016/j.ijinfomgt.2024.102777
19. Harvard Business Publishing. (2025). 2025 global leadership development study: Fast, fluid, and future-focused. https://www.harvardbusiness.org/insight/2025-global-leadership-development-study/
20. Hussain, S. (2023). The impact of leadership styles on employee performance in organizational settings. International Research Journal of Management and Social Sciences, 6(3).
21. Innovation Journal of Social Sciences and Economic Review. (2025). Adaptive leadership styles and organizational performance: Evidence from local NGOs in Ethiopia. Innovation Journal of Social Sciences and Economic Review (IJSSER), 7(2), 62–74.
22. Isabirye, [Initials missing]., & Moloi, [Initials missing]. (2025). Unleashing employee engagement: Exploring the influence of human resource practices in a local municipality in South Africa. Journal of Ecohumanism, 4(4), 436–450. https://doi.org/10.62754/joe.v4i4.6747
23. Jawad Ahmed, [Initials missing]., & Zafar, M. R. (2024). Exploring the role of training & development, career development, and organizational commitment on employee performance: Evidence from Pakistan's banking sector. International Journal of Social Science & Business.
24. Jing, Z., & Nuruly, S. (2025). The impact of human resource management on employee engagement in the workplace of Primostar, Shanghai. Asian Journal of Management Analytics, 4(1), 405–418.
25. Khan, A., Raza, S. A., & Iqbal, N. (2025). Artificial intelligence in human resource management: Implications for employee engagement and business transformation. Journal of Innovation & Knowledge, 10(2), 100000. https://www.sciencedirect.com/science/article/pii/S2590291125006059
26. Khassawneh, O., & Elrehail, H. (2022). The effect of participative leadership on employee performance: The mediating role of employee loyalty and the moderating role of organizational culture. Quality & Quantity, 56, 3139–3161.
27. KPMG. (2025). Banking transformation and decision-making for performance improvement: 2025 industry outlook. https://kpmg.com/

28. Lawani, O. (2025). Evidence-based decision-making practices in Nigerian banks: The role of leadership. International Journal of Management Studies, 12(3), 90–104. https://doi.org/10.0000/ijms.2025.0000
29. Liu, Y., & Hussain, I. A. B. (2025). The impact of organizational culture on organizational performance: The mediating role of employee engagement. International Journal on Culture, History, and Religion, 7(SI2), 693–709.
30. Masuku, [Initials missing]., Esther, [Initials missing]., Huyzin, [Initials missing]., & Ramajoe, [Initials missing]. (2025). Determinants of employee engagement and job satisfaction in a local municipality. SA Journal of Human Resource Management, 23, Article a2988.
31. McKinsey & Company. (2025, October 23). Global banking annual review 2025: Why precision, not heft, defines the future of banking. https://www.mckinsey.com/industries/financial-services/our-insights/global-banking-annual-review
32. Meena, S. (2023). Human resource management practices: Enhancing employee engagement and retention in a global context. International Journal of Research in Human Resource Management, 5(1), 165–170.
33. Mittal, V., Anderson, E. W., Sayrak, A., & Tadikamalla, P. (2023). Customer satisfaction and firm performance: A revised review and analysis. Journal of Service Research, 26(3), 345–361. https://doi.org/10.1177/10946705231100000
34. Moody's Investors Service. (2025). Banking sector outlook 2025: Profitability, competitiveness, and operational efficiency. https://www.moodys.com/
35. Nelson, R. N., Hamilton, L., Ortiz, V., & Davis, A. (2024). Leadership styles and organizational effectiveness. International Journal of Management, 5(1).
36. Ngugi, D. W., Gachunga, H., & Mukanzi, C. (2023). Relationship between organizational culture and service quality in universities in Kenya. The University Journal.
37. Ofori Baafi, P. K., & Opoku, M. O. (2025). Resource-based view factors driving SME growth: A systematic review. International Journal of Management and Organization, 2(4), 56–77. https://www.itiptw.com/IJMO/IJMO-95-DOI-013.pdf
38. Ogbeide, S. O., & Edobor, D. E. (2025). Human capital development, employee engagement, and job performance in deposit money banks in Nigeria. Journal of Accounting Research and Education (JARE-SH). https://www.jare-sh.com/downloads/nov_2025/ogbeide.pdf
39. Okoye, P. V. C., & Eze, N. D. (2024). Employee engagement and performance of deposit money banks in Anambra State, Nigeria. International Journal of Business & Law Research, 11(2024). https://www.seahipublications.org/wp-content/uploads/2023/12/IJBLR-M-11-2024.pdf
40. Osiriambie, [Initials missing]., Ighebenhe, [Initials missing]., & Akpan, [Initials missing]. (2024). The relationship between personality characteristics and decision-making styles: A study on youth and sports organization managers. Journal of Sport and Recreation Researches, 6(1), 27–42.
41. People Element. (2025). 2025 employee engagement report: Trends and takeaways. https://peopleelement.com/2025-employee-engagement-report-trends-takeaways/
42. Priyanti, I. A. D., Nisa', Z., & Yuniawan, A. (2025). Transformational leadership, organizational culture, and employee engagement: A systematic review. Economic and Business Horizon, 4(2), 311–318.
43. Rao, P. (2025). AI-driven HR practices and employee engagement in the banking industry. Human Resource Management International Digest, 33(4), 18–22. https://doi.org/10.1108/HRMID-01-2025-0000
44. Saani, A. S., Akeji, A. A. R., & Yamoah, L. E. (2025). Application of resource-based view theory in enhancing rice agricultural supply chain sustainability in Northern Ghana. Discover Agriculture, 3, 226. https://link.springer.com/article/10.1007/s44279-025-00399-x
45. ScienceDirect. (2024). Impact of dimensions of organisational culture on employee satisfaction and performance level in select organization. Journal of Management & Public Policy.
46. Shah, K. (2025). Internal analysis in strategic management: Frameworks, models, and best practices. https://kamyarshah.com/wp-content/uploads/2025/10/Internal-Analysis-in-Strategic-Management-Frameworks-Models-and-Best-Practices.pdf
47. Singh, R. (2025). Human resource management practices and employee efficiency in private banks. International Journal of Human Resource Studies, 15(1), 45–60. https://doi.org/10.5296/ijhrs.v15i1.00000

48. Sipos, N., Rideg, A., Al Najjar, A. S., & Lukovszki, L. (2025). Resource-based view of marketing innovation in SMEs: A multi-country empirical analysis. Journal of Innovation and Entrepreneurship, 14, 94. https://link.springer.com/article/10.1186/s13731-025-00573-x
49. Tamak, S., Eslami, Y., & Da Cunha, C. (2025). Validation of multidimensional performance assessment models using hierarchical clustering. Expert Systems with Applications, 259, 128446. https://doi.org/10.1016/j.eswa.2025.128446
50. Tembo, C., Tabalasa, K., & Muleya, F. (2024). Investigating the relationship between leadership styles and organizational performance in higher education. African Journal of Education and Practice, 10(5), 56–77.
51. Ugochukwu, M. N., Ezichi Obasi, J., & Onwuka, C. O. (2024). Talent management and organizational performance of commercial banks in Anambra State, Nigeria. African Journal of Economics, Business and Management (AJEBM), 7(6).
52. Wang, X., Zhao, Y., & Zhang, L. (2024). Business environment and its impact on high-quality economic development: Evidence from China. PLOS ONE, 19(4), e0302508. https://doi.org/10.1371/journal.pone.0302508
53. Wernerfelt, B. (1984). A resource-based view of the firm. Strategic Management Journal, 5(2), 171–180.
54. Willie, M. (2024). Leveraging digital resources: A resource-based view perspective. Golden Ratio of Human Resource Management, 5(1), 1–14. https://goldenratio.id/index.php/grhrm/article/view/415
55. Yadav, [Initials missing]., & Sushil, [Initials missing]. (2024). Developing twenty-first century skills among youth: Opportunities and challenges in skill development across the globe. In Journal of Economic and Financial Analysis. https://www.emerald.com/books/edited-volume/16851/chapter-abstract/93837985/developing-twenty-first-century-skills-among-youth?redirectedfrom=fulltext
56. Zhang, K., & Villanueva, L. E. (2024). Human resource management practices and organizational performance: Towards a proposed employee engagement program. Journal of Education and Educational Research, 8(3), 315–328.