EFFECT OF COMPENSATION AND JOB SECURITY ON EMPLOYEES' TURNOVER INTENTION IN SELECTED DEPOSIT MONEY BANKS IN FEDERAL CAPITAL TERRITORY, NIGERIA

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Abstract
This study focused on examining the effect of compensation and job security on employees' turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria. Cross-sectional survey was adopted; the population of the study four thousand one hundred and eighty-eight (4,188) employees of selected deposit money banks operating in the FCT. Stratified random sampling technique was employed in selecting the respondents. Primary data collected from the sample of four hundred and two (402) employees through the use of five-point Likert scale questionnaire and was analyzed using Partial Least Squares Structural Equation Modelling (PLS-SEM). The result revealed that job security has insignificant effect on employee turnover intention while compensation has positive and significant effect on employee turnover intention Based on the foregoing, the study recommends that management of the banks should revisit their compensation strategies to ensure they are competitive and aligned with industry benchmarks. In addition, deposit money banks should develop a comprehensive employee retention strategy that addresses a wider range of factors beyond just job security.
Keywords: *Employees' turnover intention, Compensation, Job security, Deposit money Banks, F.C.T.*

INTRODUCTION
Employees' intention to leave their current organization has been a critical concern globally, particularly in the banking sector where human capital plays a vital role in organizational success. Employees' turnover is harmful to the running of organizations, because it affects efficiency, productivity and performance when it occurs in the workplace. In the modern world, employees are regarded as asset and vital resource for the business in any organization. The success of a business is primarily affected by the conduct of the employees in the firm regardless of whether they are dealing with the clients directly or not (Ahmed et al., 2023).

Organizations are putting more energy in terms of resources and attention to alarming turnover of the personnel which decelerates the performance of workforce and the firm in general, managing turnover successfully is a must to achieve high employee productivity. Management recognize that employees are major contributors to the efficient achievement of the organizational productivity. Therefore, there is need to develop a thorough understanding of employees' turnover from the perspective of causes, effect and strategies to minimize turnover (Maina & Wamwai, 2022).

Employees' turnover intention in Nigerian organizations has also become a major issue particularly as the country's business landscape continues to evolve. The rise of multinational companies in Nigeria and increased globalization have created a more competitive job market, making it easier for skilled professionals to switch employers or seek opportunities abroad (Ekwosimba, 2022). The banking sector, in particular, has faced unique challenges related to employee turnover intention, as the industry requires highly skilled professionals who are often targeted by competitors within Nigeria. This has led to increased focus on developing comprehensive employee retention strategies and improving workplace conditions to reduce turnover intention among valuable employees (Ohunene, 2022).

The intention to quit one's job or organization, also known as turnover intention, is a prerequisite for leaving one's job or organization. Turnover intention refers to the likelihood that an employee will voluntarily leave their job due to dissatisfaction in the workplace (Ahmed et al., 2023). Turnover costs organization a lot of money in terms of recruiting and selection, personnel process and induction, new employee training, and, most importantly, the loss of knowledge obtained by the employee while on the job (Jha, 2019).

Employees' turnover intention is caused and measured by several factors, such as work-life balance, career development opportunities, and competitive compensation package (Khan et al., 2023). Also, it can also be measured by using work life balance, compensation, job security and work environment (Chukwudi et al., 2022). In addition, turnover intention can be decomposed into organizational culture, employee engagement, job security and compensation (Ekwosimba, 2022). Job security, compensation, work environment and employee engagement influence turnover intentions (Issa & Adebola, 2024). This study used compensation and job security to determine employees' turnover intentions.

Compensation is an important determinant of turnover intention as employees quit from organization due to economic reasons. The most common reason for high employees' turnover rate is salary scale, since employees are usually in search of jobs that pay well (Hissom, 2023). Undoubtedly, in a situation whereby two employees perform the similar work with similar responsibilities and yet one of the employees is at advantage when it comes to remuneration, obviously the employees that is at disadvantage will seek for a better offer. When employees perceive their compensation as unfair, inadequate, or not commensurate with their efforts and market standards, they are more likely to develop intentions to leave the organization. In 2023, the tech company Twitter (now X) experienced a wave of voluntary resignations following restructuring and cuts in compensation and benefits under new management, highlighting the link between reduced compensation and increased turnover (Isaac & Conger, 2023).

Similarly, a study in Nigeria's telecom sector revealed that inadequate compensation was a primary driver of employees' intention to leave their jobs, especially among skilled professionals (Olawale & Garba, 2021). From 2022 to 2024, Nigerian banks improved compensation to reduce turnover intention. In 2023, Globus Bank, Eco Bank, GTBank, UBA, and Access banks adopted performance-, seniority-, a skill-based pay systems, and fringe benefits which boosted employee commitment and reduced turnover intention (Ibrahim & Nwachukwu, 2023). A 2022 survey showed that competitive pay at First Bank, Zenith, Access and UBA improved retention among entry-level staff (Adeoye & Okonkwo, 2022). By 2023, banks increased salary spending by 44.3% to retain top talent (CBN Report, 2024).

Job security provides stability and assurance regarding continued employment. Employees who feel secure in their jobs are more likely to be motivated, committed, and productive, as they experience reduced stress and anxiety about potential unemployment. Conversely, job insecurity often leads to decreased morale, reduced organizational commitment, and lower productivity levels (Tifinny et al., 2023). **T**he oil and gas industry in Nigeria has experienced significant layoffs due to fluctuating global oil prices. As a result, many employees in the sector reported increased anxiety about their future within the company, leading to higher turnover intentions (Olumide & Oyewole, 2021). In South Africa, companies in the manufacturing sector have faced similar issues, where workers in unstable industries like mining have shown greater turnover intentions due to fears of retrenchment amid economic downturns (Naidoo & Pienaar, 2020).

Organizations that prioritize job security and offer stable, long-term employment contracts tend to have lower turnover rates, as employees are more committed and satisfied with their roles (Nwankwo & Dada, 2021). Nigerian banks between 2022 and 2024 have implemented several job security measures to reduce employees' turnover intention. In 2023, banks like First Bank, GTBank, UBA, Access, and Zenith linked job security to reduced turnover among entry-level staff (Okafor & Chidozie, 2023). Contract staff in banks experienced high turnover intention due to job insecurity, as a result, in 2024 banks such as Eco Bank, UBA, Fidelity, FCMB, Wema and Zenith Bank strengthened job security through permanent employment contracts, improved staff welfare, and clearer career development paths to reduce voluntary exits (Nwankwo & Eze, 2024).

Employees' turnover remains a critical challenge for many private organizations, the banking industry, in particular, faces an enormous task in identifying, attracting, and maintaining a skilled workforce. The banking sector in Federal Capital Territory, between 2023 and the first quarter of 2025 has witnessed a

mass departure of skilled and experienced employees, who are seeking organizations that are more adaptable to change and offer, better working conditions. According to a report from Techpoint Africa & Daily Trust (2025), the trend in the banking sector showed that 949 employees left in 2023, 721 employees in 2024 and 486 employees in the first quarter of 2025. This is despite efforts by these banks to implement retention strategies; in 2024 banks Eco Bank, UBA, Fidelity, FCMB, Wema and Zenith Bank strengthened job security through permanent employment contracts, improved staff welfare, and clearer career development paths to reduce voluntary exits (Nwankwo & Eze, 2024). In 2022 there was increase in salary to meet up competitive pay at First Bank, Zenith, Access and UBA to improved retention among entry-level staff and also fringe benefits (Adeoye & Okonkwo, 2023). This trend has left many banks vulnerable, as they lose well-trained and seasoned professionals to competitors and other industries, especially the I.T staff which has made the I.T infrastructure to be weaker **(**Ejimofor & Ogundare, 2023). Therefore, there is a need to identify and analyze the effect of compensation and job security on employees' turnover intention in selected deposit money banks in Federal Capital Territory.
Several studies have been conducted in the area of employee turnover intention such as Chen et al. (2024) focused on nurses in eastern China; Ate et al. (2024) studied Sudanese telecommunication companies; Senayah and Vivian (2024) however studied determinant of turnover intention among hospitality employees in Cape Coast, Ghana; In Nigeria, Bello and Ojo (2024) conducted their study in Nigeria's hotel industry; Ejimofor and Ogundare (2023) directed their research in selected banks in Delta State; Olusoji and Oghenefejiro (2024) studied oil and gas industry in Nigeria. To the best of the researcher's knowledge, there is paucity of studies that established the effect of compensation, and job security on employees' turnover intention in deposit money banks in Federal Capital Territory. It is necessary to study the banks because they experience high turnover due to long hours, job pressure, and constant restructuring. Existing studies often generalize across sectors and fail to capture these unique challenges. Studying banks helps identify sector-specific causes of turnover and provides targeted solutions. Hence presents the gap which this study seeks to fill by examining the effect of compensation and job security on employees' turnover intention in selected Deposit Money Banks in Federal Capital Territory.

LITERATURE REVIEW

Employees' Turnover Intention

Employees' turnover intention is a phenomenon that involves the psychological state of employees contemplating leaving their current jobs due to factors such as job dissatisfaction, lack of growth opportunities, or unfavourable work conditions (Moses & Iorpuu, 2024). Employees' turnover intention is defined as the conscious and deliberate willfulness of an employees to leave the organization. It explains the extent to which an employee plans to leave the organization (Meral et al., 2022). Employee turnover basically occurs due to unhappiness of an individual employee from job environment. Being unhappy is not merely the reason in a job, why individuals leave one job for another job. If the employees possess the skills that are in demand, they may be awarded higher pay, better facilities or job growth prospective (Ibrahim et al., 2023). Turnover intentions can also be defined as the conscious desire to leave a current organization, which is deemed amongst the most significant challenges companies face (Wen-Rou & Chih-Hao, 2022). Turnover intention is the propensity of employees to withdraw from a particular job and is considered a crucial organizational topic by scholars and practitioners (Jung et al., 2021). Umar (2023) conceptualized turnover intention as the conscious desire to leave a current organization due to poor motivation and absence of organizational justice.

Scholar has decomposed Turnover intention in different ways such as work-life balance, career development opportunities, and competitive compensation package (Khan et al., 2023). Other turnover intention dimensions include: job security, work environment, employee engagement and training (Abet et al., 2024). Also measured turnover intention is proxy by using work life balance, compensation, job security and work environment (Chukwudi et al., 2022). In addition, turnover intention can be decomposed into organizational culture, employee engagement, job security and compensation (Ekwosimba, 2022). Work life balance, job security, compensation, work environment and employee engagement influence turnover intentions are also dimensions of turnover intention (Issa & Adebola, 2024). This study used dimensions of turnover intension such as, compensation and job security to determine which of these causes employee turnover intention, since they dominate the literary discourse.

Compensation

Compensation is the total package of remuneration, allowances, and diverse benefits and services provided by an organization to its employees, it encompasses all financial rewards, services, and perks that employees receive from their employer as part of their employment agreement (Noe, 2017). Compensation is output and the benefit that employee receive in the form of pay, wages and also some rewards like monetary exchange for the employees to increase the performance (Hameed et al., 2024). Furthermore, compensation encompasses both financial rewards (salaries, bonuses) and various benefit packages offered by an organization. It serves as a strategic tool to attract, retain, and motivate employees by offering competitive and fair compensation for their contributions (Osibanjo et al., 2024).

Furthermore, Odunayo (2022) asserted that compensation is a double input output exchange between a worker and the employer, that is the input of efforts and output of wages to workers are established. In the same vein, the input of wages and the output of productivity and services also occur on the employer's side. In this double input-output exchange process, the employer offers basic pay for the workers availability, qualifications, experience, skill and potential productivity. The employer also offers benefits of various qualities to the workers based on their membership of the employer's organization. Compensation is all forms of financial returns and tangible services and benefits employees receive as part of an employment relationship (Offiah, 2024).

Job Security

Job security refers to the assurance that an employee's job will be retained as a result of the country's general economic status. It encompasses the possibility of individuals retaining their jobs in order to prevent being laid off. Equally important is the firm's or organization's guarantee that its employees will work for them for a fair period of time without being fired or dismissed in violation of the law (James, 2022). Job security is the certainty that one's job will be kept without the possibility of being laid off. The rules of an employment contract, collective bargaining agreement, or labour legislation that prohibits arbitrary termination might protect one's work. Employees are in significant danger of losing their employment when there is no job security (Tapi, 2020).

Furthermore, job security as a situation where employees become so confident that their jobs are intact and cannot be easily lost. It can be seen as an assurance an employee gets because his or her job is considered permanent until retirement or when he or she feels like quitting or leaving the job (Becker, 2019). Baridam (2024) viewed job security as the probability that an individual will keep their job; a job with a high level of security is such that a person with the job would have a little chance of losing it. According to Olalekan and Joshua (2021) job security is the feeling of security or a kind of emotion in which individual's needs and desires are met. The feeling of security is depended upon the ability of individual to save what he/she has and also the assurance about the ability of making earning in future.

Compensation and Employee Turnover Intention

Olowokere (2025) conducted a study on the effect of compensation on employees' turnover intention in selected private hospitals in Lagos State, Nigeria. The study employed a cross-sectional survey research design. The target population consisted of medical and non-medical staff working in five private hospitals located within Lagos metropolis. The accessible population was 60 employees, and using the Krejcie and Morgan (1970) sample size determination table, The study adopted the convenience sampling technique due to the accessibility and availability of respondents. Data were analyzed using the Spearman Rank Order Correlation Coefficient with the aid of the Statistical Package for Social Sciences (SPSS) version 22.0. The findings revealed a significant positive effect of compensation on employee turnover intention. The use of a restricted sample size in this study may limit the generalizability of the findings, potentially hindering their applicability to a wider population.

Chen (2024) conducted a study focusing on the effect of compensation on employees' turnover intention in the Chinese manufacturing industry. The research targeted 20 large-scale manufacturing companies located in the Guangdong Province, with each company employing an average of 350 workers. The study adopted a quantitative approach rooted in the positivist paradigm. Data were collected using structured and pre-tested questionnaires distributed to a randomly selected sample of production and administrative staff. After data collection, the responses were systematically cleaned, coded, and entered into SPSS version 24 for statistical analysis. Multiple regression analysis was used to test the hypothesized relationship between compensation and turnover intention. The results showed a significant negative relationship between compensation and turnover intentions among manufacturing employees. Given that this study was carried out in China's manufacturing sector, its applicability to banks in FCT Nigeria may be limited.

Khan and Hussain (2024) conducted a comprehensive study aimed at examining the effect of compensation on employees' turnover intention among frontline retail employees in Pakistan's commercial sector. The study targeted retail chains located in Lahore and Islamabad, with a total sample size of 300 employees drawn from various supermarkets, electronics stores, and clothing outlets. Data were collected through the use of structured, self-administered questionnaires that measured key components of compensation, such as salary, benefits, and incentives, as well as employees' turnover intention. The researchers employed multiple linear regression analysis using SPSS. The findings revealed a significant effect between compensation and employee turnover intention. This study was conducted in a different country and within a distinct retail environment As such, the legal, cultural, and economic differences between Pakistan and Nigeria may limit the direct applicability of these findings to the Nigeria.

Job Security and Employee Turnover Intention

A Research carried out by Musa et al. (2025) examined the effect of job security on employees' turnover intention in selected manufacturing companies in Ogun State, Nigeria. The study was exploratory in nature and utilized both primary and secondary sources of data collection. In this context, a structured questionnaire was administered to a targeted sample of 210 employees from selected manufacturing firms in the Agbara industrial hub of Ogun State. Descriptive statistics such as frequency distributions and simple percentages were used to analyze the research questions. while multiple linear regressions as statistical tools were used in testing the tested study hypotheses. Findings from the study revealed a statistically significant negative effect of job security and employee turnover intention. In contrast to previous studies that used traditional regression analysis, this study applied Partial Least Squares Structural Equation Modeling (PLS-SEM) as its core analytical approach.

Addo and Boateng (2024) examined the effect of job security on employees' turnover intention among staff of selected private hospitals in Accra, Ghana. The study adopted a descriptive survey research design. The target population for the study comprised clinical and non-clinical staff in five private hospitals, bringing the total population to 300 employees. The researchers used the Yamane (1967) formula to determine a sample size of 169 respondents. A stratified random sampling technique was adopted to ensure fair representation of all staff categories. The study used a structured questionnaire to collect primary data. Data collected were analyzed using both descriptive statistics (frequencies and percentages) and inferential statistics including Pearson correlation and multiple regression, with the aid of Statistical Package for Social Sciences (SPSS) version 26. Findings from the study revealed that job security had a positive and statistically significant effect on employees' turnover intention.

Theory of Organizational Equilibrium (TOE)

The Theory of Organizational Equilibrium (TOE) was propounded by Chester Barnard in 1938. The theory states that for an organization to maintain stability and retain its workforce, there must be a balance between the inducements (such as salaries, promotions, recognition, and job security) provided by the organization and the contributions (such as time, effort, skills, and loyalty) made by the employees. When employees perceive that the inducements, they receive are equal to or exceed their contributions, they are more likely to remain with the organization. Conversely, when this balance is disrupted particularly when inducements are perceived to be insufficient in relation to contributions employees begin to develop turnover intentions, which may ultimately lead to actual exit behaviour.

Two major contributions to the development of TOE came from March and Simon (1958), who linked the inducement-contribution balance to employees' decision-making processes and their intention to stay or leave an organization. Blau (1964) also contributed to the strength of the theory through his Social Exchange Theory, which reinforced the idea of mutual obligation and reciprocity in the employment relationship, consistent with the TOE's foundational logic. However, the theory has been criticized for its limitations. Price (1977) argued that TOE is overly simplistic, as it fails to consider external labour market conditions, demographic diversity, and personal characteristics of employees that may influence turnover intention. Similarly, Mobley (1977) criticized the theory for neglecting the internal psychological processes that shape turnover, such as job satisfaction, organizational commitment, and emotional attachment.

The TOE is relevant to this study because it provides a useful theoretical foundation for understanding why employees in the banking sector may consider leaving their jobs. Given the demanding nature of bank work, long hours, and competitive industry standards, employees are likely to assess whether the rewards they receive are commensurate with their contributions. Where there is a perceived imbalance, employees may develop a strong intention to leave.

METHODOLOGY

This study utilized the cross-sectional survey research because it allows for the collection of data at a single point in time, providing a snapshot of the variables of interest. This design is particularly suitable when the objective is to assess relationships, differences, or trends among variables in a specific population without the need for long-term observation or intervention. The population of the study comprises four thousand four hundred and twenty-four (4,424) employees of deposit money banks operating in the Federal Capital Territory. Table 3.1 is showing list of the banks, branches and number of employees in Federal Capital Territory (FCT), Nigeria:

Table 3.1 List of the Banks, Branches and Number of Employees in FCT

S/N	Bank Name	Number of Branches	Number of Employees
1	Fidelity Bank	25	548
2	Access bank	33	378
3	Zenith bank	49	558
4	United Bank for Africa (U.B.A)	36	449
5	Key Stone	12	135
6	Eco Bank	23	288
7	Unity Bank	16	133
8	Guaranty Trust Bank (GTB)	18	222
9	First Bank Nigeria	28	281
10	Union Bank	17	132
11	WEMA	9	268
12	Providus Bank	1	69
13	Stanbic IBTC	7	91
14	Suntrust	3	68
15	Premium Trust Bank	1	10
16	Parallex Bank	2	29
17	Globus Bank	1	40
18	Lotus Bank	4	59
19	FCMB	21	208
20	Jaiz Bank	8	105

21	Taj Bank	10	117
22	Sterling Bank	4	32
23	Standard Chartered Bank	4	36
24	Titan Trust Bank	1	10
25	Optimus Bank	1	10
26	Signature Bank	1	10
27	Alternate Bank	1	8
28	Polaris Bank	9	124
29	Citibank Ltd	1	6
	TOTAL	**321**	**4,424**

Source: Human Resources Department of the Various Banks, 2025

The minimum sample size for this study was ascertained using the formula proposed by Taro Yamane for statistically attaining sample size from a given population (Yamane, 1967), which is 4,424 for this study. Calculations were made at 5% significance level as follows:

$$n = \frac{N}{1+N(e)^2}$$

Where:

n is sample size, N is the population size, e is the margin of error (5%, which is 0.05).

Given: Population size N = 4,424, Margin of error e = 0.05

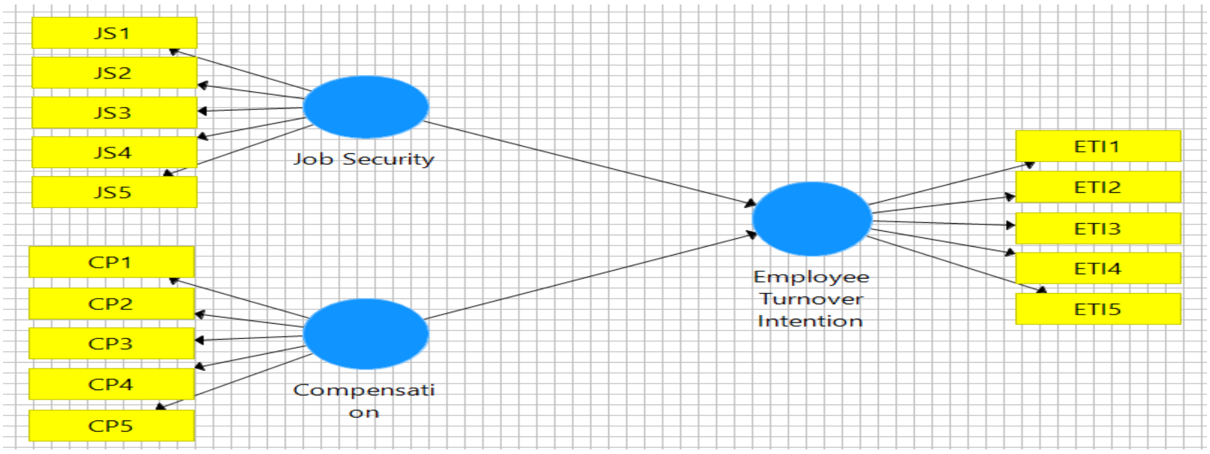
Substituting in to the formula:

$$n = \frac{4,424}{1 + 4,424\ (0.05)^2}$$

n = 367

Therefore, the minimum sample size for the study is three hundred and sixty-seven (367). This study used stratified random sampling technique in selecting the respondents for the study. This technique was used by dividing the population into distinct, non-overlapping strata based on relevant characteristics such as name of bank and branch location. From each stratum, respondents were randomly selected in proportion to their representation in the overall population. By dividing the population into strata and selecting respondents randomly within each category, stratified sampling minimizes bias, enhances comparability across groups, and improves the reliability of results and generalizability of findin.gs to the broader population.

The data for this study was primarily collected using a structured questionnaire adapted by the researcher from various sources such as (Olalekan & Joshua, 2021; Aktar 2022) respectively. The well-designed questionnaire was distributed to the selected deposit money banks in Federal Capital Territory. To facilitate accurate measurement, the questionnaire utilized a 5-point Likert scale, where respondents were asked to rate their level of agreement with each statement as follows: 5 = Strongly Agree, 4 = Agree, 3 = Neutral, 2 = Disagree, and 1 = Strongly Disagree. The data was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3, ensuring robust and efficient analysis. A pictorial representation of the Partial Least Square Structural Equation Model (PLS-SEM) model for the study is provided as follows:



Models of Compensation and job security on employee turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria

Results and Discussion

Assessment of Measurement Model

In assessing the measurement model, we begin by assessing the item outer loadings. As a rule, loadings above 0.7 are recommended, as they indicate that the construct explains more than 50 percent of the indicator's variance, thus providing acceptable item reliability (Hair, et al., 2019). The result in table 2 shows loading of above 0.7 for all the constructs, hence they were deemed acceptable by the study.

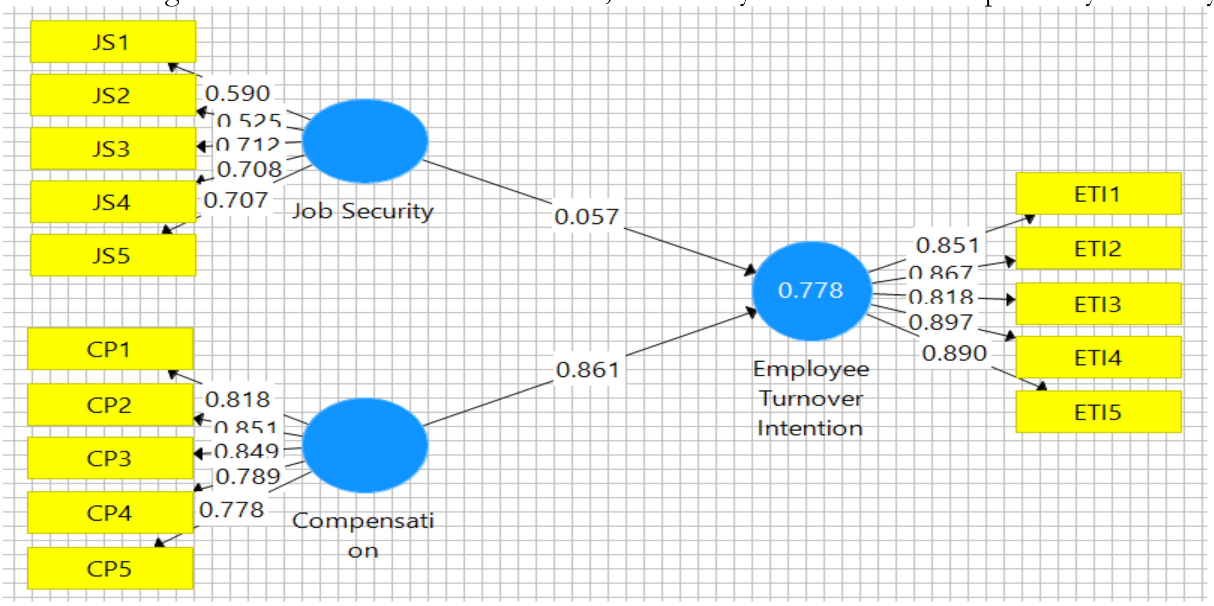


Fig 2: Indicator Loadings

Table 2: Factor Loadings of the Constructs

Items	Loading
JS1	.590
JS2	.525
JS3	.712
JS4	.708
JS5	.707
CP1	.818
CP2	.851
CP3	.849
CP4	.789
CP5	.778
ETI1	.851

ETI2	.867
ETI3	.818
ETI4	.897
ETI5	.890

Source: SMART-PLS Output, 2025

To establish internal consistency of the study constructs, the Cronbach's alpha and composite reliability were examined. According to Hair, et al., (2019) the minimum threshold for measuring composite reliability (CR) and Cronbach's alpha is 0.7. Also, the minimum value of the AVE should be higher than 0.50. All the constructs satisfied this requirement as shown in table 3 and as such are valid for the study.

Table 3: Construct Reliability and Validity of the Indicators

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Compensation	.889	.839	.755
Job Security	.862	.814	.679
Employee Turnover Intention	.819	.726	.716

Source: SMART PLS Output, 2025

Discriminant validity is the extent to which a construct is empirically distinct from other constructs in the structural model. To assess discriminant validity, Henseler et al. (2015) proposed the Heterotrait-monotrait (HTMT) ratio of the correlations. They explain that discriminant validity problems are present when HTMT values are higher than 0.90. This is not the case in this study as shown in table 4 below

Table 4: Heterotrait-Monotrait Ratio (HTMT) Criterion

	Compensation	Job Security	Employee Turnover Intention
Compensation	1.00		
Job Security	.588	1.00	
Employee Turnover Intention	.723	.523	1.00

Source: SmartPLS Output, 2025

Assessment of Structural Model

The coefficient of determination, R-Square value on table 5 show 0.778, meaning that 77.8% of employee productivity were influenced by age diversity and functional diversity. Meanwhile, the remaining 12.2% was affected by other factors not mentioned in the study. Also, the **Q^2** value of 0.765 indicates high predictive relevance.

Table 5: Coefficient of Determination (R^2) and Predictive relevance ($Q^{2)}$

	R Square	R^2Adjusted	Q Square
Employee Turnover Intention	0.778	0.776	0.765

Source: SMART-PLS Output, 2025

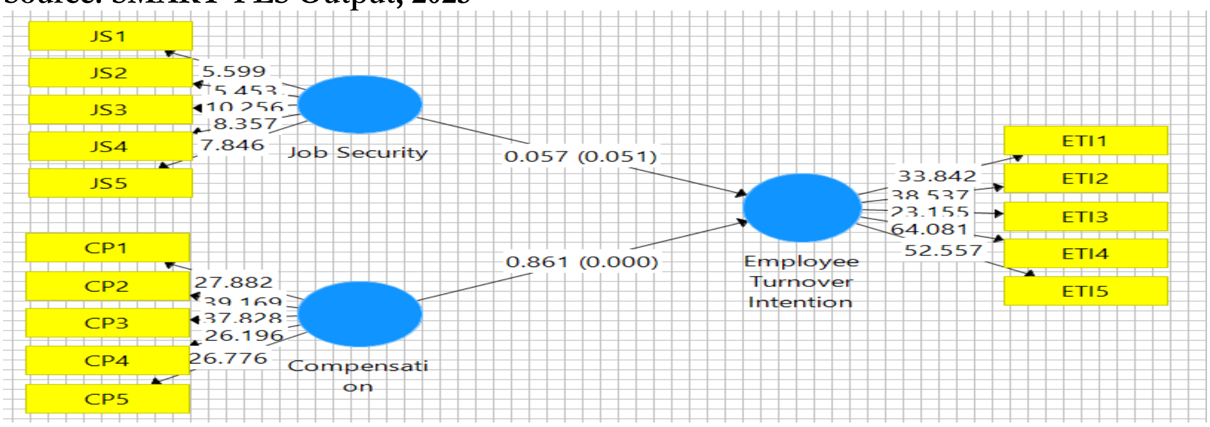


Fig 2: Structural Model

Test of Hypotheses

Table 6 shows the path coefficients, t-values and p-values used to test the hypotheses of the study:

Table 6: Path Coefficient of the Model

Variable	Beta	T Statistics (|O/STDEV|)	P Values	Decision	F^2 value
Compensation -> Employee Turnover Intention	0.861	38.064	0.000	Rejected	0.108
Job Security -> Employee Turnover Intention	0.057	1.948	0.051	Accepted	0.206

Source: SmartPLS Output, 2025

Hypothesis One

H_{O1}: *Compensation has no significant effect on employees' turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria.*

The result from table 6 shows that compensation has positive but significant effect on employees' turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria, with β = 0.861 and p = 0.000. Thus, null hypothesis which states that compensation has no significant effect on employee turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria was rejected at 5% level of significance. Thereby accepting an alternative hypothesis which states that compensation has significant effect on employees' turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria. This implies that as the level of compensation (such as salaries, bonuses, and benefits) increases, the employees' intention to leave the organization also tends to reduce. while offering competitive compensation is important for attracting and retaining talent, it may not be the sole or most effective factor in reducing employee turnover in these banks. The positive relationship between compensation and turnover intention indicates that higher pay necessarily translate to lower employee turnover. This finding is consistent with that of Tifinny et al. (2023) who found that compensation has positive and significant effect on employee turnover intention in selected deposit money banks. Also, the finding is inconsistent with that of Okon et al. (2024) who found negative and insignificant effect on employees' turnover intention in selected deposit money banks.

Hypothesis Two

H_{O2}: *Job security has no significant effect on employees' turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria.*

The result from table 6 shows that job security has an insignificant effect on employees' turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria with β = 0. 057 and p = 0.051. Thus, null hypothesis second which states that job security has no significant effect on turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria was accepted at 5% level of significance. The alternative hypothesis which states that job security has significant effect on employees' turnover intention in selected deposit money banks in Federal Capital Territory, Nigeria was therefore rejected. This implies that the deposit money banks should not solely rely on providing job security as a means of retaining their employees. Instead, they need to adopt a more comprehensive approach to employee retention that addresses a wider range of factors beyond just job security. As such, the deposit money banks should shift their focus to understanding and enhancing these other retention levers. This may involve reviewing and improving their compensation packages, investing in employee development and career progression initiatives, fostering a positive and supportive work environment, and promoting work-life balance programs. This finding is consistent with that of Musa et al. (2025) and Hissom (2023) who found that job security has positive and insignificant effect on employees' turnover intention in selected deposit money banks in Federal Capital Territory. However, the finding disagrees with that of Issa and Adebola, (2024); Okwu, (2025) who found negative but significant effect on employee turnover intention in selected deposit money banks.

The f^2 examines the effect caused on the endogenous construct's R^2 value as a result of removal of a certain predictor construct. Cohen (1988) guideline was used to measure the effect size which revealed that all relationships were either small or medium effect.

CONCLUSION AND RECOMMENDATIONS

This study examined compensation and job security on employee turnover intention of selected deposit money banks in Abuja-FCT, Nigeria. Based on the research findings, the study concluded that job security has positive and insignificant effect on employees' turnover intention, while compensation has significant factors which affect employee turnover intention of selected deposit money banks in Abuja-FCT, Nigeria. The study also concludes that compensation is a factor that influences a reasonable level of employees' turnover intention, while job security as it relates to the employees has been insignificant on the employees' turnover intention.

Based on the findings and conclusions above, the study recommends thus:

i. Bank management should revisit their compensation strategies to ensure they are competitive and aligned with industry benchmarks. This may involve restructuring the compensation packages to include more performance-based and variable pay components, as well as exploring non-monetary benefits and perks that can enhance the overall employee value proposition.

ii. Bank management should develop a strategy that addresses a wider range of factors influencing employee turnover intention. At the core of this revised approach should be an emphasis on other key retention levers, such as competitive compensation, career development opportunities, work-life balance, and organizational culture.

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Appendix: Research Questionnaire

Key: Strongly Agree = 5, Agree= 4, Undecided = 3, Disagree = 2, Strongly Disagree = 1

S/N	INDICATOR	Agreement scale				
	Compensation	**5**	**4**	**3**	**2**	**1**
1	The compensation adequately reflects my job responsibilities					
2	My basic salary is fair compared to others doing similar work					
3	The compensation packages offered by the organisation is fair and competitive					
4	My contributions are adequately rewarded through monetary and non-monetary benefits					
5	The benefits offered by my organization meet my needs					
	Job Security	**5**	**4**	**3**	**2**	**1**
1	I feel confident that my job is secure in this organization					
2	I believe the organization is committed to retaining its employees					
3	The organization has effective strategies to prevent layoffs and downsizing					
4	My contributions are valued enough to secure my position in this organization					
5	The organization provides clear communication about policies affecting job stability					
	Employee Turnover Intention	**5**	**4**	**3**	**2**	**1**
1	I frequently think about leaving this bank					
2	I intend to look for a new job outside the banking sector soon					
3	I am actively searching for a job in another bank or financial institution					
4	I often feel like resigning from my current position					
5	I do not see myself working at this bank in the next year					