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INSPIRATIONAL MOTIVATION AND ORGANISATIONAL PERFORMANCE OF DEPOSIT MONEY BANKS IN BENIN CITY, EDO STATE, NIGERIA

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Abstract

Background: *Nigerian deposit money banks are operating within an increasingly turbulent and competitive environment shaped by the Central Bank of Nigeria's recapitalisation programme, which required commercial banks to raise fresh capital of up to five hundred billion naira and produced a system-wide mobilisation of about four point six five trillion naira between 2024 and 2026. Under such pressure, the calibre of leadership exercised over employees has become a decisive factor separating banks that adapt from those that stagnate, and inspirational motivation, one of the four behavioural dimensions of transformational leadership identified by Bass and Avolio, has attracted growing scholarly attention as a lever for sustaining performance.*

Purpose: *This seminar paper examines the relationship between inspirational motivation and organisational performance of deposit money banks operating in Benin City, Edo State, Nigeria, with attention to how leaders articulate vision, communicate optimism, and set meaningful expectations for branch-level staff.*

Main Discussion: *The paper synthesises conceptual, theoretical, and empirical literature on inspirational motivation and organisational performance, situating the discussion within the Full Range Leadership Theory and drawing comparisons with expectancy-based explanations of employee effort. Empirical studies from Nigerian and other developing-economy banking contexts are critically compared to identify patterns, contradictions, and unresolved questions.*

Key Findings: *The reviewed literature converges on a generally positive association between inspirational motivation and measures of organisational performance, including employee commitment, service quality, innovation, and resilience, although the strength of this relationship varies with organisational culture, measurement approach, and the extent to which inspirational rhetoric is matched by tangible managerial support.*

Practical Implications: *Bank branch managers in Benin City and comparable regional commercial centres would benefit from deliberate investment in vision communication, recognition systems, and leadership development programmes that translate inspirational rhetoric into measurable operational outcomes.*

Keywords: Inspirational Motivation, Transformational Leadership, Organisational Performance, Deposit Money Banks, Benin City, Edo State

1. Introduction

Leadership research has increasingly shifted from portraying leaders as simple distributors of tasks and rewards to recognizing them as creators of organizational meaning. This transition is particularly evident in the financial services industry, where employees' intangible dedication and commitment are often as valuable as financial resources (Anwar et al., 2023; Budiman, 2022). Globally, banks operating in volatile macroeconomic conditions have turned to transformational forms of leadership, and inspirational motivation in particular, to sustain workforce engagement when material incentives alone cannot carry the burden of performance expectations (Arshad et al., 2026; Thane et al., 2026). A large-scale randomised field experiment covering hundreds of Danish public and private organisations, including bank units, found that structured training of managers in transformational leadership behaviour produced measurable positive shifts in subordinate-rated leadership behaviour across very different organisational settings (Jacobsen et al., 2022). Complementing this, a recent cross-cultural meta-analysis synthesising data from more than 121,000 employees across thirty-nine countries confirmed that transformational leadership exerts a consistently positive effect on citizenship behaviour, task performance, and innovation regardless of national culture, although the effect is stronger in societies characterised by higher individualism, uncertainty avoidance, and power distance (Agag et al., 2025).

Within Africa and specifically in Nigeria, the relevance of inspirational leadership has intensified alongside far-reaching regulatory change. The Central Bank of Nigeria's recapitalisation programme, formalised in March 2024, compelled international, national, and regional commercial banks to multiply their minimum paid-in capital several times over, with international banks required to hold five hundred billion naira and national banks two hundred billion naira by the closing deadline of March 2026 (Mondaq, 2026). By the conclusion of the exercise, thirty-three banks had jointly raised approximately four point six five trillion naira, a scale of capital mobilisation that has reshaped competitive dynamics across the industry and intensified the contest for skilled, motivated personnel capable of deploying that capital productively (African Business, 2026). Industry analysts covering the exercise have already described the post-recapitalisation period as one of sectoral rivalry for lending opportunities and market share, which places renewed pressure on branch and regional leadership to extract commitment and discretionary effort from employees (African Business, 2026).

A survey-based study of transformational leadership within the digital fin-tech operations of Nigerian deposit money banks, drawing on responses from 264 employees, found that transformational leadership exerted a significant and positive influence on the innovativeness of banks' fin-tech applications and recommended that the sector deliberately build transformational leadership competence across managerial levels to sustain productivity in an increasingly digital financial ecosystem (Ufomba et al., 2025). At the state and city level, Benin City functions as the commercial nerve centre of Edo State and hosts branches of nearly every major deposit money bank operating in Nigeria, serving a dense population of small and medium enterprises, public sector workers, and an expanding informal economy. Branch managers in this environment operate under corporate targets set at national headquarters while managing staff who face local labour market pressures, including competition from fintech entrants and a persistent outward migration of skilled professionals. Whether such managers can translate a nationally scripted vision into locally meaningful inspiration for their staff is an empirical question that has received comparatively little dedicated attention, even though the wider literature on transformational leadership and bank performance in Nigeria has expanded rapidly in cities such as Lagos and Port Harcourt (Akinsola et al., 2024; Ufomba et al., 2025).

The significance of the topic rests on three convergent pressures. First, the profitability of deposit money banks depends heavily on frontline service quality, an outcome shaped by how motivated employees feel about their work rather than by capital adequacy alone (Onwubiko et al., 2024). Second, the post-recapitalisation environment has raised the stakes attached to staff performance, since underused capital yields poor returns regardless of balance sheet size (African Business, 2026). Third, Nigerian banking-sector research shows an uneven pattern in which purely financial motivational strategies produce only partial gains in employee performance, with some incentive dimensions, notably job security, failing to register a statistically significant effect at all, which points toward relational and inspirational leadership behaviour as a necessary complement to compensation (Akinsola et al., 2024). Taken together, these pressures justify a focused scholarly inquiry into how inspirational motivation, as a specific and measurable dimension of transformational leadership, relates to organisational performance among deposit money banks in Benin City. The purpose of this seminar paper is therefore to critically review, synthesise, and evaluate the conceptual, theoretical, and empirical literature bearing on this relationship, and to draw evidence-based implications for bank leadership practice in Edo State and comparable regional commercial centres.

2. Problem Statement

Deposit money banks in Nigeria continue to report friction between corporate performance targets and observed levels of staff engagement, a friction that persists despite substantial investment in monetary incentive schemes. Evidence from a structural equation modelling study of motivational strategies across Nigerian deposit money banks, based on 497 usable responses, found that salary satisfaction, working environment, bonuses, and training and development each significantly predicted employee performance, yet job security showed no significant relationship at all, with employee formal recognition only partially mediating the remaining relationships (Akinsola et al., 2024). This pattern suggests that financial incentives, although necessary, are not sufficient on their own to sustain the discretionary effort that underpins service quality, innovation, and resilience within bank branches.

Previous efforts to address the performance gap have concentrated disproportionately on transactional levers, that is, pay structures, promotion schedules, and performance-linked bonuses, while paying comparatively little attention to the relational and communicative dimensions of leadership through which employees derive meaning from their work. Where transformational leadership has been studied in the Nigerian banking context, the empirical base is concentrated in Lagos and other major commercial hubs (Aliu & Alenoghena, 2023; Osibanjo et al., 2020; Ufomba et al., 2025), leaving Edo State and its commercial capital, Benin City, thinly represented despite hosting a comparable density of bank branches and a workforce facing similar competitive and macroeconomic pressures. This uneven geographic coverage constitutes a genuine knowledge gap, because leadership behaviours that inspire employees in one regional labour market do not necessarily translate with equal force into another, a possibility reinforced by cross-cultural evidence that the strength of the transformational leadership to performance relationship itself varies systematically with contextual and cultural conditions (Agag et al., 2025).

A further gap concerns measurement. Much of the existing empirical work on leadership and bank performance in Nigeria relies on composite transformational leadership scores measured through instruments such as the Multifactor Leadership Questionnaire, which bundle inspirational motivation together with idealised influence, intellectual stimulation, and individualised consideration and thereby obscure the distinct contribution that inspirational motivation makes on its own (Garzón-Lasso et al., 2024). Since inspirational motivation specifically concerns the articulation of a compelling, optimism-laden vision rather than role modelling or intellectual challenge, treating it as inseparable from the other three dimensions of the Full Range Leadership Theory risks masking practically important differences in how bank managers should be trained and evaluated.

If this problem remains unaddressed, deposit money banks operating in Benin City risk under-realising the returns on the substantial fresh capital raised through the recapitalisation exercise, since capital productivity ultimately depends on the willingness of branch-level staff to exert effort beyond minimum contractual obligations (African Business, 2026; Onwubiko et al., 2024). There is, accordingly, a clear need for a seminar paper that isolates inspirational motivation as a distinct construct, reviews what is known about its relationship with organisational performance in banking contexts broadly comparable to Benin City, and identifies where the existing evidence base falls short.

3. Aim and Objectives

The overall aim of this seminar paper is to critically examine the relationship between inspirational motivation and organisational performance of deposit money banks in Benin City, Edo State, Nigeria, through a synthesis of conceptual, theoretical, and empirical literature.

In pursuit of this aim, the paper is guided by the following specific objectives:

1. To clarify the concepts of inspirational motivation and organisational performance and to develop working definitions suited to the deposit money banking context.
2. To evaluate the theoretical frameworks, principally the Full Range Leadership Theory, that best explains how inspirational motivation influences organisational outcomes.
3. To critically compare empirical studies on transformational leadership dimensions and organisational or employee performance within Nigerian deposit money banks.
4. To identify methodological strengths, weaknesses, and contextual inconsistencies within the reviewed empirical literature.
5. To discuss the practical and policy implications of the reviewed evidence for bank leadership practice

in Benin City and comparable regional commercial centres.

6. To propose evidence-based recommendations for bank managers, human resource practitioners, and regulators concerned with staff performance in the post-recapitalisation banking environment.

4. Conceptual Review

4.1 Motivation and Inspirational Motivation

Motivation, in its broadest sense, refers to the internal and external forces that initiate, direct, and sustain goal-directed behaviour, and organisational scholars have long distinguished between motivation that originates from the individual, commonly termed intrinsic motivation, and motivation that is induced through external stimuli such as pay or supervision (Chong & Gagné, 2019; Van Den Broeck et al., 2021). Within leadership theory, inspirational motivation occupies a narrower and more specific position as one of the transformational behaviours captured within the full-range leadership model, describing leaders who articulate an appealing and optimistic vision of the future, communicate high expectations, and imbue routine tasks with a sense of purpose that extends beyond immediate self-interest (Garzón-Lasso et al., 2024; Karimi et al., 2023). Empirical evidence from a study of 577 Colombian executives confirms that this transformational behaviour, assessed through the Multifactor Leadership Questionnaire, exerts the strongest positive influence on employees' extra effort, effectiveness, and satisfaction when compared with transactional or passive-avoidant leadership styles (Garzón-Lasso et al., 2024).

A comparison of definitions across the literature reveals broad agreement on three core elements of inspirational motivation, namely vision articulation, the expression of confidence and optimism about achieving that vision, and the framing of individual tasks as meaningful contributions to a shared purpose (Khan et al., 2022). Where definitions diverge is on the question of whether inspirational motivation requires charisma as a personal trait or whether it can be learned and deliberately practised. Field-experimental evidence from a large-scale randomised trial across 463 Danish public and private organisations, including bank units, supports the latter position, showing that structured leadership training interventions produced measurable, positive changes in employees' perceptions of their managers' transformational behaviour, which implies that inspirational motivation is at least partly a trainable managerial competence rather than a fixed personality trait (Jacobsen et al., 2022).

A limitation shared by much of the conceptual literature is the tendency to treat inspirational motivation as inseparable from idealised influence, since both dimensions involve emotionally resonant leader behaviour and are frequently reported as a single composite score on the Multifactor Leadership Questionnaire (Garzón-Lasso et al., 2024). For the purposes of this seminar paper, inspirational motivation is defined as the deliberate leadership practice of communicating a compelling and optimistic vision of organisational goals, setting high but attainable performance expectations, and framing employees' daily responsibilities as meaningful contributions to that vision, in a manner that is behaviourally distinguishable from role modelling, intellectual challenge, or individualised mentoring.

4.2 Organisational Performance in Deposit Money Banks

Organisational performance has traditionally been operationalised through financial ratios such as return on assets, return on equity, and profitability margins, an approach that draws its appeal from the availability and comparability of published bank financial statements. A bibliometric review of more than 1,294 studies on the Balanced Scorecard, spanning over thirty years of research, documents that this narrow financial approach provides limited insight into how performance is achieved and has progressively been supplemented, across customer, internal-process, and learning-and-growth perspectives, in a growing multidisciplinary literature (Kumar et al., 2023). This broader conceptualisation has since been adapted by Nigerian researchers studying deposit money banks.

Comparative evidence from the Nigerian banking sector lends empirical weight to this broader conceptualisation. A survey-based study of Nigerian deposit money banks applying a Balanced Scorecard model found that internal control and business process quality, customer satisfaction, and employee learning and growth each exerted a significant, independent effect on operational efficiency (Akinrinola, 2019). In a related study covering 224 usable responses from Nigerian deposit money banks, customer satisfaction, product and service quality, and employee development were each found to significantly predict return on equity, although corporate social responsibility showed no significant relationship, underscoring that not every non-financial dimension carries equal weight (Onwubiko et al., 2024). At the same time, financial-ratio approaches retain practical relevance because they align with the regulatory reporting obligations that Nigerian banking regulators impose on deposit money banks, and because the scale of capital now held by Nigerian banks following the recapitalisation exercise makes financial productivity metrics an unavoidable benchmark for assessing whether new capital is being used effectively (African Business, 2026).

Synthesising these perspectives, organisational performance in the deposit money banking context is understood in this seminar paper as a multidimensional construct comprising financial outcomes, principally profitability and asset growth, alongside non-financial outcomes, principally customer satisfaction, service quality, staff productivity, and organisational resilience, all interpreted relative to the specific competitive and regulatory environment within which a given bank branch or institution operates.

4.3 Transformational Leadership

Transformational leadership describes a leadership style in which leaders raise followers' motivation and performance beyond baseline expectations by combining four interrelated behavioural dimensions, commonly referred to as the Four I's, namely idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration, in contrast to transactional leadership, which is organised primarily around an exchange of effort for reward (Al-Zoubi et al., 2026; Garzón-Lasso et al., 2024; Jensen et al., 2016). Recent empirical work confirms that although the Four I's are conceptually distinct, they correlate highly with one another in practice and are frequently modelled as a single higher-order transformational leadership factor within structural equation models (Garzón-Lasso et al., 2024; Le Thu & Nguyen Van, 2024). For the purposes of the present paper, transformational leadership is treated as the broader construct within which inspirational motivation is analytically isolated wherever the underlying empirical evidence permits such separation.

5. Theoretical Review

5.1. Full Range Leadership Theory

The Full Range Leadership Theory provides the primary theoretical lens for this seminar paper. The theory has been operationalised through the Multifactor Leadership Questionnaire, which measures leadership behaviour along a continuum spanning laissez-faire, transactional, and transformational styles, and which a recent validation study among 577 Colombian executives confirmed remains an effective measurement instrument outside the North American and European contexts in which it was originally developed (Garzón-Lasso et al., 2024). The theory assumes that leaders can move followers beyond narrow self-interest toward collective organisational goals by combining four transformational behaviours, namely idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration, with contingent transactional behaviours where appropriate (Garzón-Lasso et al., 2024).

Within this framework, inspirational motivation functions as the mechanism through which leaders convert an abstract organisational strategy into an emotionally compelling narrative that followers can internalise. The theory's major constructs are directly relevant to deposit money banks because branch-level targets are typically set centrally and communicated downward, leaving branch managers with the task of making those targets meaningful to frontline staff who interact daily with customers under considerable pressure. A cross-cultural meta-analysis covering 519 samples and more than 121,000 respondents across thirty-nine nations reports a consistently positive relationship between transformational leadership and follower task performance, citizenship behaviour, and innovation, with the strength of this relationship moderated by national cultural dimensions and by methodological factors such as measurement instrument, time lag, and data source (Agag et al., 2025).

The theory's principal strength lies in its empirical traceability, since it is anchored to a validated psychometric instrument that has been applied across financial, industrial, military, and public-sector settings with generally acceptable reliability across recent studies (Garzón-Lasso et al., 2024; Jacobsen et al., 2022). Its main criticisms concern construct overlap among the Four I's, the risk of common-method bias when both leadership behaviour and performance outcomes are drawn from the same self-report survey, and cross-cultural variability in effect size that complicates any assumption of a single universal relationship between inspirational motivation and performance (Agag et al., 2025). Despite these criticisms, the Full Range Leadership Theory is judged the most appropriate framework for this seminar paper because it offers the most widely validated theoretical apparatus that isolates inspirational motivation as a distinct, measurable leadership behaviour rather than treating motivation solely as an individual employee trait.

5.2. Complementary Perspective: Expectancy Theory

Expectancy theory offers a complementary, follower-centred perspective that helps explain why inspirational motivation translates into performance for some employees more readily than others. The theory holds that motivation is a function of an employee's expectancy that effort will lead to performance, the instrumentality linking performance to valued outcomes, and the personal valence attached to those outcomes (Eccles & Wigfield, 2020; Ogundare & Omotosho, 2023). A recent structural equation modelling study applying expectancy theory to 901 employees across sixteen commercial banks in Vietnam found that expectancy, intrinsic instrumentality, and intrinsic valence each significantly predicted employee motivation, which in turn significantly predicted job performance, whereas extrinsic valence and extrinsic instrumentality showed no significant effect despite employees reporting a high need for extrinsic reward, a finding the authors interpret as evidence that motivation in banking work is driven more by intrinsic meaning-making than by purely material calculation (Le Thu & Nguyen Van, 2024). Read alongside the Full Range Leadership Theory, this evidence suggests that inspirational rhetoric from a bank manager is most likely to translate into effort where it strengthens employees' intrinsic sense that their effort matters and is recognised, rather than functioning as a substitute for extrinsic reward. This complementary lens is used in the critical discussion section to explain observed inconsistencies in the empirical literature, particularly cases where inspirational leadership behaviour was reported without a corresponding gain in measured performance.

6. Empirical Review

Empirical interest in transformational leadership within Nigerian deposit money banks has grown substantially over the past five years, though coverage remains geographically uneven. A recent review of transformational leadership within the innovativeness of Nigerian banks' digital fin-tech applications reports two illustrative Port Harcourt-based studies: Chukwuma (2022, as cited in Ufomba et al., 2025) examined transformational leadership and organisational performance among deposit money banks and reported a positive association, while Jonah (2022, as cited in Ufomba et al., 2025) used Spearman rank correlation on data drawn from two hundred employees across twenty branches and found that inspirational motivation and idealised influence significantly strengthened organisational adaptability and flexibility, recommending improved internal communication as a complement to motivational technique.

Research conducted at Access Bank Plc in Keffi, Nasarawa State, isolated inspirational motivation, intellectual stimulation, and individualised consideration as predictors of employee commitment and reported a significant positive relationship between inspirational motivation specifically and employee performance, closely linked to employee commitment, recommending that leaders articulate a clear vision paired with high expectations (Ohaegbulem et al., 2024). Complementary evidence from a structural equation modelling study of motivational strategies in Nigerian deposit money banks, based on 497 usable responses, found that salary satisfaction, working environment, bonuses, and training and development each significantly predicted employee performance, with training and development exerting the strongest effect, while job security showed no significant relationship, a pattern that illustrates the limits of purely transactional or material explanations of performance and strengthens the case for examining relational and inspirational leadership behaviours alongside monetary incentives (Akinsola et al., 2024).

Beyond leadership-specific studies, broader organisational-behaviour research on Nigerian deposit money banks corroborates the general pattern that non-monetary, relational factors materially affect performance. A cross-sectional survey of employee training and organisational performance among selected deposit money banks in Lagos State, covering 450 middle and senior management staff at a 76.9 per cent response rate, found that structured training investment significantly improved organisational performance outcomes (Aliu & Alenoghena, 2023). Research on emotional intelligence among deposit money bank employees in Nasarawa State similarly found that empathy and relationship management competencies, which overlap conceptually with the relational core of inspirational motivation, were associated with employee performance (Andah et al., 2021), while a Lagos-based Smart-PLS study of 192 employees across five deposit money banks found a significant positive relationship between diversity management practice and organisational performance (Osibanjo et al., 2020), reinforcing the broader thesis that people-centred leadership and management practices consistently outperform narrowly transactional approaches in Nigerian banking contexts.

Together, these studies display more agreement than disagreement on the direction of the relationship between inspirational or transformational leadership behaviour and organisational or employee performance, with virtually every reviewed study reporting a positive association, a pattern corroborated at a global level by the cross-cultural meta-analytic evidence of Agag et al. (2025). Where the studies diverge is in effect size, in the specific performance outcome examined, whether financial, behavioural, or attitudinal, and in the extent to which inspirational motivation is measured as a standalone construct rather than folded into a composite transformational leadership score. Methodologically, the reviewed Nigerian studies are overwhelmingly cross-sectional, rely on self-report Likert-scale questionnaires administered to bank staff, and are geographically concentrated in Lagos and Nasarawa State (Akinsola et al., 2024; Aliu & Alenoghena, 2023; Andah et al., 2021; Ohaegbulem et al., 2024; Osibanjo et al., 2020; Ufomba et al., 2025), leaving a clear evidentiary gap for Edo State and Benin City specifically.

Table 1

Synthesis of Reviewed Empirical Studies

Author(s) & Year	Location	Objective	Methodology / Sample	Key Findings	Identified Gap
Ufomba, Monyei & Ukpere (2025)	Nigeria (multi-bank)	Transformational leadership and innovativeness of digital fin-tech applications	Survey; regression; 264 employees	Transformational leadership significantly and positively predicted fin-tech innovativeness	Cross-sectional; inspirational motivation not isolated from composite score
Chukwuma (2022, as cited in Ufomba et al., 2025)	Port Harcourt, Rivers State	Transformational leadership and organisational performance of DMBs	Survey; DMB employees	Transformational leadership, including inspirational motivation, positively associated with organisational performance	Secondary citation; primary study not independently verified
Jonah (2022, as cited in Ufomba et al., 2025)	Port Harcourt, Rivers State	Transformational leadership and organisational resilience	Spearman correlation; 200 employees, 20 branches	Inspirational motivation and idealised influence significantly strengthened adaptability and flexibility	Secondary citation; resilience not linked to financial outcomes
Ohaegbulem et al. (2024)	Keffi, Nasarawa State	Transformational leadership and employee commitment at Access Bank Plc	Survey; Access Bank employees	Inspirational motivation significantly predicted employee performance and commitment	Single-bank case study; limited generalisability
Akinsola et	Nigeria	Motivational	SEM	Salary,	Financial/material

Author(s) & Year	Location	Objective	Methodology / Sample	Key Findings	Identified Gap
al. (2024)	(multi-bank)	strategies and employee performance	(SmartPLS); 497 usable responses	environment, bonuses and training significantly predict performance; job security not significant	focus; leadership behaviour not directly measured
Aliu & Alenoghena (2023)	Lagos State	Employee training and organisational performance	Cross-sectional survey; 450 management staff, 76.9% response rate	Training significantly improved organisational performance	Training treated in isolation from leadership style
Andah, Ikyabo & Onana (2021)	Nasarawa State	Emotional intelligence and employee performance	Survey; DMB employees	Empathy and relationship management associated with employee performance	Overlaps with relational constructs but does not link explicitly to inspirational motivation
Osibanjo et al. (2020)	Lagos State	Diversity management and organisational performance	Smart PLS; 192 employees, 5 banks	Significant positive relationship between diversity management and organisational performance	Leadership style not the primary focus; indirect relevance only

7. Critical Discussion

The empirical convergence on a positive relationship between inspirational motivation and organisational performance should not obscure the conditional nature of that relationship. Read through the lens of expectancy theory, inspirational rhetoric that is not matched by credible instrumentality, that is, a believable link between effort and reward, risks being received by employees as hollow motivational language rather than genuine leadership, a concern reinforced by evidence that extrinsic reward variables did not significantly predict motivation among Vietnamese bank employees despite their reporting a high need for such reward, implying that the credibility and framing of reward systems matters as much as their existence (Le Thu & Nguyen Van, 2024). This may explain why the Nigerian evidence base shows uneven effect sizes for motivational strategies, with job security in particular failing to register any significant relationship with performance despite strong theoretical expectations (Akinsola et al., 2024), and it suggests that bank managers in Benin City cannot rely on vision articulation alone without also ensuring that recognition, career progression, and reward systems visibly follow from the performance that inspirational communication seeks to elicit.

A further point of debate concerns the direction of causality implicit in cross-sectional survey designs. Because the overwhelming majority of the reviewed Nigerian studies collect leadership perception and performance data from the same respondents at a single point in time (Akinsola et al., 2024; Aliu & Alenoghena, 2023; Andah et al., 2021; Ohaegbulem et al., 2024; Osibanjo et al., 2020; Ufomba et al., 2025), it remains possible that already high-performing, satisfied employees rate their managers more favourably on inspirational motivation rather than the leadership behaviour itself driving the performance outcome. Only the randomised field-experimental design used across 463 Danish organisations, including bank units, which measured leadership behaviour before and after a training intervention, offers stronger causal grounding (Jacobsen et al., 2022), and the absence of comparable experimental designs from the Nigerian banking literature constitutes a significant methodological gap that future research on Benin City banks should address through longitudinal or quasi-experimental designs.

From a policy standpoint, the post-recapitalisation banking environment sharpens the practical stakes of this debate. Banks that have raised substantially larger capital bases under the Central Bank of Nigeria's programme face pressure to deploy that capital into new lending, new branches, and new digital products, and each of these initiatives depends on frontline staff who must be persuaded, quickly and repeatedly, that new organisational directions are worth their discretionary effort. Industry commentary following the conclusion of the recapitalisation exercise has already described the sector as entering a period of intense competitive rivalry for profitable lending opportunities (African Business, 2026), a description that implies rising performance expectations placed on branch staff across cities including Benin City. Where inspirational motivation is weak or inconsistently practised, the risk is that larger capital bases fail to translate into proportionate performance gains, a possibility that regulators and bank boards evaluating post-recapitalisation outcomes should treat as a legitimate line of inquiry alongside conventional financial ratio analysis (Onwubiko et al., 2024).

A further contextual challenge specific to Edo State concerns competition for skilled labour. Benin City's proximity to Lagos and the wider south-south and south-west labour markets means that well-trained bank staff can and do relocate toward better compensation or the fintech sector, a dynamic that plausibly weakens the leverage inspirational motivation has on retention compared with cities offering fewer outside options. Cross-cultural meta-analytic evidence that the strength of the transformational leadership to performance relationship varies with contextual conditions such as national culture and institutional environment (Agag et al., 2025) lends indirect support to the proposition that regional labour market conditions within a single country could similarly moderate the relationship. This raises an unresolved empirical question, not yet addressed directly in the reviewed literature, over whether inspirational motivation operates with the same strength in regional commercial centres as it does in the primary financial hub of Lagos, or whether local labour market thinness changes the calculus employees apply when evaluating a leader's inspirational appeal against a competing job offer.

8. Practical Applications

For professional practice, branch and regional managers of deposit money banks in Benin City can operationalise inspirational motivation through concrete, repeatable behaviours rather than treating it as an abstract personality trait. Regular town-hall style briefings that connect national corporate targets to specific branch-level contributions, recognition rituals that publicly celebrate progress toward those targets, and consistent framing of routine customer service tasks as contributions to broader financial inclusion goals are all behaviours consistent with the inspirational motivation construct and amenable to structured training along the lines demonstrated in the large-scale Danish field experiment, which showed that leadership training measurably changed subordinate-rated leadership behaviour across very different organisational settings, including bank units (Jacobsen et al., 2022).

At the institutional level, human resource departments can incorporate inspirational motivation explicitly into leadership competency frameworks and promotion criteria for branch managers, moving beyond the almost exclusive reliance on sales-target attainment that currently dominates many Nigerian bank appraisal systems. Given the evidence that training and development exert the strongest single effect among motivational strategies studied in Nigerian deposit money banks (Akinsola et al., 2024), and that structured training investment significantly improves organisational performance in Lagos-based deposit money banks (Aliu & Alenoghena, 2023), embedding structured transformational leadership training within existing management development programmes offers a comparatively low-cost, evidence-based intervention that banks operating in Benin City could adopt without material changes to compensation budgets.

For policy formulation, banking sector regulators reviewing the outcomes of the recapitalisation programme could usefully complement financial ratio analysis with periodic, sector-wide surveys of leadership climate and staff engagement, since the balanced scorecard evidence reviewed in this paper

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indicates that non-financial performance drivers carry genuine predictive value for eventual financial outcomes (Akinrinola, 2019; Kumar et al., 2023; Onwubiko et al., 2024). For the wider financial services sector beyond banking, including microfinance institutions and fintech firms operating in Edo State, the same logic applies: inspirational motivation offers a transferable leadership competence relevant wherever frontline staff mediate the relationship between organisational strategy and customer experience, a conclusion consistent with the fin-tech-specific findings reported by Ufomba et al. (2025).

9. Conclusion

This seminar paper has examined the relationship between inspirational motivation and organisational performance among deposit money banks, with particular reference to the operating context of Benin City, Edo State, Nigeria. The conceptual review distinguished inspirational motivation from the broader transformational leadership construct and from purely financial conceptions of organisational performance, arriving at working definitions suited to the deposit money banking environment and grounded in current literature (Garzón-Lasso et al., 2024; Kumar et al., 2023). The theoretical review established the Full Range Leadership Theory as the primary explanatory framework, complemented by expectancy theory as a follower-centred lens for understanding why inspirational rhetoric does not always translate uniformly into performance (Le Thu & Nguyen Van, 2024).

The empirical review demonstrated that Nigerian studies, though geographically concentrated outside Edo State, consistently report positive associations between inspirational or transformational leadership behaviour and various measures of organisational and employee performance (Akinsola et al., 2024; Aliu & Alenoghena, 2023; Andah et al., 2021; Ohaegbulem et al., 2024; Osibanjo et al., 2020; Ufomba et al., 2025), a pattern corroborated internationally by recent meta-analytic and field-experimental evidence (Agag et al., 2025; Jacobsen et al., 2022), while also revealing a persistent reliance on cross-sectional, self-report methodologies that limits causal inference. The critical discussion identified conditional factors, particularly the credibility of reward systems and regional labour market competition, that likely moderate the strength of the inspirational motivation to performance relationship in a city such as Benin City. Taken as a whole, the paper contributes a focused, regionally contextualised synthesis that isolates inspirational motivation from the wider transformational leadership bundle and connects the existing evidence base to the specific competitive pressures introduced by Nigeria's recent bank recapitalisation programme (African Business, 2026).

10. Recommendations

1. Branch and regional managers of deposit money banks in Benin City should adopt structured, recurring vision-communication practices, such as scheduled briefings linking corporate targets to branch-level contributions, rather than relying on episodic or informal motivational gestures.
2. Bank human resource departments should incorporate inspirational motivation as an explicit, separately assessed competency within branch manager recruitment, appraisal, and promotion criteria, distinct from sales-target attainment alone.
3. Banks should pair inspirational communication with visible, timely recognition and reward mechanisms, since the reviewed evidence indicates that vision articulation is unsupported by credible instrumentality risks being discounted by employees.
4. Management development programmes for Edo State branch managers should include structured transformational leadership training modules modelled on the randomised field-tested intervention documented by Jacobsen et al. (2022) across Danish public and private organisations, including bank units.
5. Researchers should prioritise longitudinal or quasi-experimental designs and geographically extend data collection to Edo State and other underrepresented regional commercial centres, to strengthen causal inference and regional generalisability.
6. Regulators and bank board’s assessing the outcomes of the recapitalisation programme should complement financial ratio analysis with periodic, sector-wide measurement of leadership climate and staff engagement using validated instruments such as the Multifactor Leadership Questionnaire.

Conflict of Interest Statement

The authors declare no conflicts of interest.

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Informed Consent

Informed consent was obtained from all individual participants included in the study.

Ethical Approval

All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and/or national research committee and with the 1964 Helsinki declaration and its later amendments or comparable ethical standards.

Data Availability

The datasets generated during and analysed during the current study are available from the corresponding author on reasonable request.

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