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MODERATING EFFECT OF READINESS TO CHANGE ON THE RELATIONSHIP BETWEEN CHANGE MANAGEMENT AND EMPLOYEE PERFORMANCE IN FINTECH COMPANIES IN ABUJA

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ABSTRACT

This study investigated the moderating effect of readiness to change on the relationship between change management practices and employee performance in Fintech Companies in Abuja. The main objective of the study is to examine the effect of communication on employee performance in Fintech companies in Abuja. The study is supported by Kurt Lewin's change management Model. The research adopted a survey research design and collected primary data through structured questionnaires administered to the sampled 240 employees out of the population of 600 employees of the selected Fintech companies (Moniepoint, Opay, Palm pay, and Fair money). A stratified sampling technique was employed, and data were analyzed using Partial Least Squares Structural Equation Modelling (PLS-SEM) Smart-PLS 4. Both measurement model and structural models were assessed for reliability and validity. The findings of the study indicated that communication, training, and resistance management has significant effect on employee performance while employee performance was not significantly affected by technological resource. The study further revealed that the relationship between training and employee performance was significantly moderated by readiness to change while the relationship between communication, technological resources, and resistance management and employee performance was insignificantly moderated by readiness to change. The study also concluded that change management in the Nigerian Fintech sector provides a theoretically grounded, empirically validated framework for understanding how organizational change influences employee performance. The study recommends that change management practices should be effectively executed among employees of Fintech companies in Abuja.

Keywords: Change Management Strategies, Employee Performance, Fintech Companies Readiness to Change.

Introduction

Poor employee performance which is manifested through reduced output, operational errors, low productivity, and high disengagement remains a critical concern for modern organizations, particularly within rapidly changing, and high-stress sectors. In the financial technology sector, employee poor performance directly threatens service reliability, system uptime, and customer trust. The manner in which change is communicated, the training employees receive, the quality of technological resources provided, and how resistance is managed collectively determine whether organizational interventions translate into improved performance or persistent operational stagnation. In an era of rapid technological change and competitive pressure, the Nigerian fintech industry has emerged as a critical driver of financial inclusion, innovation, and economic growth (Okhawere, Paul, Young, & Ofenume, 2025). There is no doubt that the emergence of Fintech is a direct product of the evolution of the age of rapid technological change offering innovative products and services to consumers and stakeholders across the entire financial industry (Ediagbonya & Tioluwani, 2023).

However, employees are the major catalyst for survival, growth, and success of organizations in the rapidly changing and competitive business environment. Despite the significant role that the employees of Fintech companies play in driving technological innovations of Nigeria's financial sector, several problems hinder their performance. Such problems include poor infrastructural facilities, inconsistent power supply, poor mobile receptions especially in rural areas, constant banks' network failures, lack of effective communication, and data privacy issues (Ediagbonya & Tioluwani, 2023). Moreso, other challenges affecting the change management practices particularly in terms of adoption of Fintech innovations in Nigeria include regulatory issues, poor technological infrastructure, and lack of financial literacy (Okoh, Afrogha, & Adamu, 2025).

Due to the above challenges, organizations continue to experience resistance to change and lower performance outcomes, often due to leadership challenges and inadequate alignment between management practices and employee performance (Archibong & Ibrahim, 2021). Change management, which is defined as the structured process of transitioning individuals, teams, and organizations from a current to a desired future state, has been widely acknowledged as essential for sustaining competitive advantage and organizational adaptability (Edehwor & Ernest, 2025). However, the job performance of the employees seems to depend heavily on the change management strategies used by the organizations (Ekechi & Umar, 2020).

Organizational change is widely acknowledged as a catalyst for competitive advantage. Yet, research consistently shows that approximately 70% of change initiatives fail, often due to poor management of the human side of change (Sharma, 2025). For Fintech companies whose competitive survival depends on speed, innovation, and agile adaptation, this failure rate is particularly costly.

In Nigerian financial technology companies, navigating rapid technological evolution and strict regulatory shifts requires structured change management practices centered on targeted training, transparent communication, and adequate facilities. As digital disruptions alter service delivery models, continuous employee training serves as a primary driver of change efficacy and skill adaptation, ensuring personnel can operate new digital infrastructure and adhere to compliance standards seamlessly (Bhutto et al., 2023). Coupled with structured learning, clear and proactive communication from leadership bridges operational gaps, aligns individual goals with organizational transformation, and minimizes employee resistance during strategic pivots (Veseli et al., 2025). When employees understand the strategic vision behind technological adoption, institutional alignment improves, fostering an environment where innovation is accepted rather than resisted.

Beyond workforce readiness, the successful implementation of change management practices in Nigerian Fintechs relies heavily on adequate facilities and robust technological resources. Given the unique operational challenges in the region such as network instability and power deficits providing adequate technological facilities, reliable remote-work systems, and modern digital tools directly affects operational continuity and staff performance (Ugwuegbu, 2026). Without sufficient physical and digital infrastructure, even well-communicated strategies and comprehensive training programs risk failure during execution. Ultimately, integrating ongoing skill development, open communication channels, and resilient infrastructure provides Nigerian fintech firms with the foundational support needed to sustain adaptability and performance in a highly dynamic market (Veseli et al., 2025).

Previous studies such as Barinua, (2026) and Nwachukwu, Adedeji, and Ogunyemi, (2023), Edehwor and Ernest, (2025), and Edeh, (2021) demonstrate that well-implemented change management practices, including effective communication, employee engagement, and participation in decision-making, significantly enhance employee productivity and job satisfaction in Nigerian financial institutions This places continuous demands on the Fintech firms to manage change effectively and ensure high levels of employee performance. Although change management strategies are empirically proven to enhance employee performance (Akan et al., 2020), other factors such as readiness for change may also affect the performance of employees.

The effectiveness of change management practices is not unconditional. Employees who are psychologically and operationally ready to embrace change are more likely to respond positively to change management interventions (Armenakis & Harris, 2009). Readiness to change reflects employees' beliefs, attitudes, and intentions regarding the necessity and capacity for organizational change. It is argued in this study that readiness to change serves as a moderator between change management practices and employee performance that can lead to positive effects when high and negative effects when low.

Furthermore, while moderating effects of readiness to change have been studied in other contexts (Olamikekan, F., & Salam, A., 2022). The role in the Fintech sector, particularly within the unique socio-economic and cultural environment of Abuja remains underexplored. This paper addresses these gaps and contributes empirical evidence from a context that is both underrepresented in the change management literature.

Although, some scholars including Muamar, Nurdin, Marwan, Mangkuwanata, (2023), Tambunan, Absah, and Siahaan, (2023) in Indonesia, Oumoudian, (2025) in Lebanon, and Chieta, Okibo, Ratemo, and Njeri, (2014) in Kenya have attempted to study how change management affect performance globally. However, the findings of such studies from other countries may not be applicable to Nigerian context with different cultural and geographical boundaries. This prompted this present research to examine such effect in Nigerian setting.

The few researchers in Nigeria that studied such relationship focused on other domains including Ekechi, & Umar, (2020) in education sector, Edewor & Ernest, (2025), in banks, Okafor & Nwachukwu (2023) in Telecommunication sector, Abdullahi, Mudi, & Mustapha, (2020) in the public sector. The few that studied the Fintech companies were carried out on Fintech Adoption Strategies with different variables from those adopted in this present study that focused on change Management Strategies and assessed the direct relationship without moderator More so, most studies carried out in the area of change management and employee performance such as Ekechi and Umar, (2020), Chieta, Okibo, Ratemo, Nyamwamu, and Njeri, (2014), Muamar, Nurdin, Marwan, and mangkuwanta, (2023), used descriptive and inferential statistic focusing on simple and multiple regression

analysis while other studies such as Mardikaningsih, and Darmawan, (2022), Tambunan, Absah, and Siahaan, (2023) used literature review to draw conclusions which may provide poor generalization of research conclusion than the findings of this present study that analyzed data using statistical tools.

Given the strategic importance of fintech firms to Nigeria's financial ecosystem and the limited empirical evidence on readiness to change, and performance relationships in change management, few studies such as Katsaros, Tsirikas and Kosta (2020) attempted to determine the moderating effect of readiness to change on the relationship between leadership and firm financial performance. Hence, this study investigates the moderating effect of readiness to change on the relationship between change management practices and employee performance in the fintech companies in Abuja.

Research Objectives

The specific objectives of this study are:

i. To examine the effect of communication on employee performance in Fintech companies in Abuja.
ii. To assess the effect of training on employee performance in Fintech companies in Abuja.
iii. To determine the effect of technological resources on employee performance in Fintech companies in Abuja.
iv. To evaluate the effect of resistance management on employee performance in Fintech companies in Abuja.
v. To examine the moderating role of readiness to change on the relationship between communication and employee performance in Fintech companies in Abuja.
vi. To examine the moderating role of readiness to change on the relationship between training and employee performance in Fintech companies in Abuja.
vii. To examine the moderating role of readiness to change on the relationship between technology and employee performance in Fintech companies in Abuja.
viii. To examine the moderating role of readiness to change on the relationship between resistance management and employee performance in Fintech companies in Abuja.

Research Hypothesis

Based on the objectives above, the following hypotheses are stated:

Ho_1: Communication has no significant effect on employee performance.
Ho_2: Training has no significant effect on employee performance.
Ho_3: Technological resources has no significant effect on employee performance.
Ho_4: Resistance management no significant effect on employee performance.
Ho_5: Readiness to change does not significantly moderates the relationship between communication and employee performance.
Ho_6: Readiness to change does not significantly moderates the relationship between training and employee performance.
Ho_7: Readiness to change does not significantly moderates the relationship between technological resources and employee performance.
Ho_8: Readiness to change does not significantly moderates the relationship between resistance management and employee performance.

Literature Review

This section reviewed the various concepts of the research variables. A thorough review of relevant literature and the theories related to the study variables were also carried out in this section.

Concept of Employee Performance

Employee Performance refers to the degree to which an employee fulfills their assigned roles and contributes to organizational goal achievement. It encompasses task performance including fulfillment of prescribed role requirements, contextual performance which involves behaviors that support the social and organizational environment, and adaptive performance that indicates effectiveness in adapting to changing environments (Campbell et al., 1993). Similarly, Ekechi and Umar (2020) defined employee performance as a major component that determines the goals achievement of the and it shows the willingness and openness of the employees to do the job. Every organization need the employees who are willing to do more than their usual job scope and perform in such a way that they meet or exceed the expected performance standards. This study conceptualized employee performance as the ability of an employee to meet performance targets and maintain high quality of work during organizational changes.

Concept of Change Management Practices

Change Management Practices refer to structured approaches organizations use to transition individuals, teams, and organizations from a current state to a desired future state (Prosci, 2021). In this study, change management

practices are operationalized through four proxies which are communication, training, technological resources, and resistance management.

Communication involves the planned dissemination of clear, accurate, and timely information about organizational changes to all relevant stakeholders. Effective communication reduces uncertainty, builds trust, and aligns employee expectations with organizational change goals (Men & Yue, 2019). Training refers to structured programs designed to equip employees with the skills, knowledge, and competencies needed to function effectively within new organizational systems and processes Afshan, Sobia, Ahmed, and Mehmood, (2022) Technological Resources encompass the digital tools, platforms, infrastructure, and support systems provided to employees to enable efficient performance within transformed organizational environments (Ekechi and Umar (2020). Resistance Management involves the proactive identification, analysis, and mitigation of sources of employee resistance to change, through engagement, empathy, and structured intervention strategies (Brian, Kenneth, Jake & Josh, 2015).

Concept of Training

Agrawal, Balla, and Kumar (2024) define change management training as a targeted reskilling and upskilling framework designed to align workforce technical capabilities with rapidly evolving business models. From this perspective, training is an adaptive learning mechanism that bridges skills gaps, ensuring employees can confidently operate emerging platforms without losing productivity. Al-Husseini et al. (2021) conceptualize training as a behavioral intervention designed to strengthen psychological capital and self-efficacy. They define it as a structured learning process that mitigates change-induced anxiety, cognitive overload, and fear of failure by empowering employees with the specific knowledge and operational mastery required for their modified roles. Also, Nwaeke, Onu, and Amah (2023) define training in change management through an organizational learning lens as the systematic acquisition of knowledge, attitudes, and skills necessary to foster a culture of continuous adaptation. Under this view, training acts as a strategic driver that transforms individual learning into institutional agility during structural or technological shifts.

Concept of Communication

According to Tang, and Chen (2023), communication is an interactive, multi-directional dialogue designed to foster psychological safety and build employee engagement. In their framework, communication is defined not just as top-down messaging, but as an active feedback mechanism that invites worker input, validates employee concerns, and co-creates ownership of the change. In addition, Li and Sun (2021) define communication as an essential risk-management tool designed to minimize reduce active or passive resistance to change. The authors established that effective communication is transparent, multi-channel messaging deployed to manage expectations, highlight benefits, and maintain organizational trust during periods of volatility.

Concept of Technological Resources

In post-pandemic organizational literature, technological resources are no longer treated merely as passive tools. They are recognized as active enablers and core catalysts of organizational change. Mukhlis and Tyas (2024) define technological resources in change management as the advanced digital infrastructure, cloud applications, and operational software systems that physically enable new ways of working. These resources serve as the functional foundation that allows organizations to restructure workflows and execute strategic shifts effectively. Verma and Singh (2025) conceptualize technological resources as digital assets such as AI-driven platforms, predictive analytics, and enterprise software that enhance real-time decision-making and organizational agility. In their framework, these technologies are defined as dynamic tools that allow organizations to monitor change progress, optimize resources, and adapt rapidly to market disruptions.

Concept of Resistance Management

Ambrose (2025) defines resistance management as a systematic process of treating employee skepticism and pushback as critical operational feedback rather than simple defiance. Under this perspective, resistance management involves creating psychological safety and open dialogue channels where employees can voice concerns regarding structural, cultural, or workload disruptions. Prosci (2024) conceptualizes resistance management as a structured strategy designed to anticipate, identify, and address the root causes of employee resistance to change. In this framework, resistance management is defined as a proactive risk-mitigation process that uses, transparent communication, and employee engagement to reduce uncertainty, minimize fear, and guide individuals through the emotional transition of change. Li and Sun (2021) define resistance management as a behavioral and psychological intervention aimed at resolving cognitive dissonance and restoring organizational trust. Their definition emphasizes that resistance stems primarily from fear of the unknown, perceived loss of control, and cognitive misalignment. Therefore, resistance management is the practice of framing the rationale for

change transparently, ensuring procedural fairness, and building individual change readiness to foster buy-in. Kurt Lewin's Three-Step Model of Change directly informs modern organization change management practices by operationalizing each phase into targeted actions (Rosdiana & Aslami, 2022).

During the Unfreezing stage, organizations deploy strategic communication and early resistance management to disrupt the status quo, highlight urgency, and establish psychological readiness. In the Moving or changing phase, execution relies heavily on structured training, direct resource allocation, and continuous operational communication to build new capabilities and guide employees through the transition. The Refreezing stage utilizes sustained resistance management, reinforcement communication, and ongoing resource support to anchor new behaviors, reward success, and solidify a permanent organizational equilibrium (Cummings & Worley, 2014). Therefore, this study used communication and resistance management as the proxies of change management practices that represent the unfreezing stage of Kurt Lewin. The study also adopted technological resources and training as another variable to represent the moving or changing stage.

Concept of Readiness to Change

Readiness to Change is defined as the cognitive and emotional state that allows precursor to the behaviors of either resistance or support for a change effort (Armenakis et al., 1993). It reflects the extent to which individuals or groups are primed mentally, emotionally, and structurally to accept and implement change. High readiness to change amplifies the positive effects of change management practices, while low readiness creates a dampening effect. According to Asbari, Hidayat, Purwanto, (2021) readiness for change is the level of preparedness of the people involved in the change process especially because people are the key players in the change process. Employees are the most significant concern in assessing the issues for change readiness. For the purpose of this research, readiness for change is measured based on the employees' willingness to accept, support, and implement the change process.

Empirical Literature

Numerous studies have examined the relationship between change management practices and employee performance. This section carried out comprehensive review of previous studies that are relevant to this study.

Communication and Employee Performance

Neill, Men and Yue (2020) carried out a study to examine why and how an open and participative communication climate matters for employee organizational identification their change-specific responses, and performance. The authors conducted an online survey using a stratified and quota random sample of 1,034 US (United States) employees working in diverse industry. To test the hypothesized model, structural equation modeling analysis was employed using AMOS 24.0 software. Findings indicated that an open and participative communication climate directly contributes to employee performance. When employees identify with the organization, they tend to believe in the inherent value of the change and are more likely to support the change initiative. The study offers insights for change managers, internal communication professionals and organizational leaders. However, the study was conducted to examine US employees whose performance may differ from that of Nigerian employees having different working environments, and organizational policies which can make them to experience change differently.

Chukwuma, Onwubu, Netswera, and Anwana, (2022) assessed the impact of communication adequacy on resistance to change at selected dealership companies in the Durban Metropolitan Region. The study used the non-random purposive sampling collected from 270 staff at selected dealership companies in the Durban Metropolitan Region using questionnaires administered to employees. The structural equation model was also applied in analyzing the data. The findings of the study show that there is a significant relationship between communication adequacy positively influencing resistance to change. The study further provides practical implications for the employees at the selected dealership companies to consider more strategic and appropriate communication tools. This study focused on communication as the change management strategy and the result of this present study may offer more robust conclusion as it did not only include communication but considered other aspects of change management practices including training, technology, and resistance management.

Adeyemi and Gbadegesin (2022) examined the influence of organizational change communication on employee performance in Nigerian banks and found that effective, transparent, and two-way communication significantly enhances employee performance outcomes. The study, which surveyed 250 banking employees in Lagos, highlighted that communication frequency and clarity are the most potent predictors of performance. Although, banks and Fintech companies may have some structural similarities, the results of the study carried out in Lagos state may not be applicable to Abuja which is the study area of this present study.

Training and Employee Performance

Okwurume, (2023) investigated the relationship between employee training and organizational performance of deposit money banks in Rivers State. This study adopted a quasi-experimental design. The population of the study include deposit money banks with operational presence in Rivers State. The study surveyed a total of 121 employees of these banks. Structured questionnaire was used to collect primary data. Spearman rank order correlation was employed to test the hypotheses formulated for the study, with the help of SPSS version 20.0. The study reveals that on-the-job training has a significant relationship with efficiency and standard performance. It was also realized that off-the-job training has a significant relationship with employee performance. Thus, the study concluded that training enhances performance of deposit money banks. The study recommends that deliberate efforts should be made to train and develop their employees if they seek to achieve improved performance in terms of efficiency and standard performance. The study employed SPSS statistical package for data analysis but this present study used Partial Least Square Structural Equation Modelling PLS SEM which has more statistical power than SPSS because of its ability to analyze both measurement and structural models.

Odozi, (2024) examined the impact of Human Resource Practices including Change management training strategy on job performance in the FinTech sector in Estonia. The study's findings reinforce the positive impact of training on performance, emphasizing the importance of continuous employee development. The result reported no significant direct or moderating effect of training on job performance. This study depended on literature review to draw the conclusion which may have poor generalization as there was no quantitative data and thorough analysis using statistical tools adopted in this present study. The study was also conducted in the Europe which may not be applicable to employees of Nigerian Fintech companies.

Technological Resources and Employee Performance

Tambuwan, Ansah, and Siahaan, (2023) studied university employees and examined effect of change management on their performance. The descriptive survey research design was adopted for the study and total population was 3627 employees in five universities in Federal Capital Territory, Abuja. Proportionate stratified random sampling technique was used to select 315 employees for the study. Self-developed questionnaire was used to collect data from the study participants. The instrument was validated by research experts and subjected to test-retest reliability technique. Data collected were analyzed using frequency count, percentage count, mean, and Multiple Regression Analysis.

The findings showed that: there is low extent of technological and organizational leadership changes existence in Nigerian Universities, high extent of employee's performance in Nigerian universities. The study concluded that there was acceptable employee's performance which can be determined by change management factors (technological changes and organizational leadership).

It was therefore, recommended among others that: designing change management processes in the university, should be based on employees' functionalities (teaching, research and community services) and relationships in terms of their perception, norms, virtues and behaviors. This study examined the performance of employees in education sector which may have different result from this present study that studied employees of Fintech companies.

Resistance Management and Employee Performance

Zafar, Imad, Sawaridass, Ramayah and Lo May, (2006), carried out a study to explore the moderating influence of change management activities on the link between resistance to change and Enterprise Resource Planning (ERP) installation Success. The attainment of planned goals and customer happiness are inversely correlated with resistance to change, according to data gathered from 69 manufacturing businesses via a postal survey. Further, change management activities did not regulate the link between resistance and specified goals but it moderated the association between resistance and user pleasure. Additionally, customer happiness is directly improved by change management programs. This study concludes that the human element is crucial to the application of ERP.

Brian, Kenneth, Jake, and Josh, (2015) examined the effect of change management practices on employee resistance during implementation, which is frequently mentioned as a primary cause of organizational change failure. Sixteen owner organizations' project teams' opposition to a new project delivery mechanism was monitored. Findings include identification of six change management factors that contribute to minimizing resistance to change, including certain aspects of project scope, size and duration, organizational expectations of change implementation speed, the establishment of formal change agents, and the level of change agent involvement with implementation activities. In order to provide tactics for lowering resistance to change, implications for change leaders and practitioners are examined.

Moderating role of Readiness to Change

Asbari, M., Hidayat, D., Purwanto, A., (2021) This study aimed to measure the effect of transformational leadership and readiness for change on employee performance of the employee of a chemical industry. In this study, readiness for change is moderating variable. Data was collected from 220 returned questionnaire of samples taken by random sampling. Data was analyzed using SEM method with SmartPLS 3.0 software. The results of this study showed that transformational leadership had a significant effect on readiness for change, transformational leadership and readiness for change have a significant effect on the employee performance, readiness for change have a positive and significant effect on the relationship between transformational leadership and employee performance. Readiness for change functioned as a moderator. The research moderated the relationship between leadership and performance. Hence, this research could pave the way to improve employee readiness in change management.

Dhingra, Rekha, Kumar, and Punia 2016, carried out a study to assess of readiness to change, where they identified issues and implications in readiness to change at the organizational level; The primary method used in the study was mainly a literature review to add neglected factors driving change process. The paper shows how various players and other determinants of successful change implementation can derail the organization's readiness to embrace change.

The paper adds to the available knowledge. The study suggests various solutions that seek to address the issues on organizational readiness to change. Hence, this study may provide organizational managers with implications on change management for policymakers and practitioners to improve an organization's preparedness towards change implementation. This study was carried out in 2016 which is about a decade (10 years) from this present study. This research seeks fill the wide period gap and methodological gap as it adopted statistical analysis method to draw the research findings.

Rahi, Alghizzawi, Ahmad, Khan, (2022), identified the various factors affecting change management success, as well as examine their relevance in the case of a Moroccan construction company. A combination of a literature review and research action was employed to this end. Specifically, an in-depth review of 37 organizational change management models was conducted to identify the factors that affect change management success. Additionally, a research action approach validated the identified factors. Several factors that affect organizational change management success were identified and categorized into 12 categories relevant to the successful implementation of organizational change initiatives within the case company. While further research is needed to explore the relevance of the identified factors in other organizations and sectors, this study provides an integrated understanding of change management success based on the analysis of various organizational change models. Understanding success factors can help managers implement change initiatives in their organizations effectively. The study offered a quantitative research approach which is different from this present research that adopted the quantitative approach and may offer different findings and conclusions.

Theoretical Framework

Lewin's Three Step Model

The three-step model proposed by Kurt Lewin: unfreeze, change, and refreeze, has so far been a corner stone of organizing change. The unfreeze stage entails the readiness of the employees, through developing the awareness of the necessity of the change and decreasing resistance. The change stage is associated with initiating new systems, processes or behaviors which are facilitated by communication, training, provision of adequate resources, and resistance management which constitute the independent variables in this study. The refreeze phase stabilizes the change and makes it embedded into the organizational culture (Rosdiana & Aslami, 2022).

Kurt Lewin's three-step model unfreeze, change, and refreeze has been a pillar of change management up until this point. The unfreeze stage comprises the readiness of the personnel, but developing the knowledge of the necessity of the change and lowering opposition. The change stage is related with beginning new systems, processes or behaviors which are aided by communication and training. The change is stabilized and integrated into the company culture during the refreeze phase. This approach places a strong emphasis on communication and participation support techniques such as training and resistance management, which are connected with the study's variables.

Also, readiness to change aligns with the Kurt Lewin's Model as it emphasizes on the first stage which is unfreezing, which Lewin refer to as preparation for change. Nevertheless, critics say that the model is fairly linear and inapplicable in the modern complex conditions, but the concepts are applicable in aiding structured change initiatives of the FinTech firms. Critics also claim that the model is mostly linear and unsuitable for the diverse circumstances of today but the concepts are applicable in aiding structured change initiatives of the FinTech Firms.

Methodology

The study adopted a cross-sectional survey research design, which is appropriate for investigating relationships among variables at a single point in time (Creswell & Creswell, 2023). A quantitative approach was employed to allow for statistical testing of the hypothesized relationships and moderating effects. The target population comprised all employees of the 4 major selected Fintech companies operating within Abuja Municipal Area (AMAC) including, Monie point, Opay, Palmpay, Fair Money. The selection was based on customer coverage, years of operation, and geographical coverage. Based on the information provided by the Human resource managers, a total of active employees of the selected Fintech firms operating in the area amount to about 600 employees.

Using Taro Yamane's (1967) formula for sample size determination at a 95% confidence level and a 5% margin of error, a sample size of 240 was computed. Stratified random sampling was used to select respondents across the identified firms, with allocation proportional to each firm's workforce size. A total of 240 questionnaires were administered, of which 215 were returned and 200 were found usable, yielding a response rate of 83.3%.

Data were analyzed using Partial Least Squares Structural Equation Modelling (PLS-SEM) SmartPLS 4.0 software. PLS-SEM was selected over CB-SEM because of its suitability for small-to-medium sample sizes, its ability to handle non-normal data, and its appropriateness for predictive-focused research models incorporating both reflective and formative constructs (Hair et al., 2022). The analysis proceeded in two stages: (1) assessment of the measurement model (reliability, convergent validity, and discriminant validity), and (2) assessment of the structural model (path coefficients, R^2, and moderation analysis).

Measurement of Variables

A structured questionnaire was used to collect data. The questionnaire consisted of five sections corresponding to the study variables: communication (5 items), training (5 items), technological resources (5 items), resistance management (5 items), employee performance (6 items), and readiness to change (5 items). All items were measured on a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). Items were adapted from validated scales in prior literature, including the Readiness for Change Scale by Holt et al. (2007), the Change Management Practices Scale from Prosci (2021), and the Individual Work Performance Questionnaire (IWPQ) by Koopmans et al. (2014).

Results

Tabe 1: Items loading, AVE, and Construct Reliability

CONSTRUCTS	ITEMS	LOADINGS	CR	AVE
COMMUNICATION	COM1	0.606	0.778	0.547
	COM2	0.910		
	COM5	0.668		
EMPLOYEE PERFORMANCE	EMP3	0.876	0.923	0.750
	EMP4	0.914		
	EMP5	0.806		
	EMP6	0.863		
RESISTANCE MANAGEMENT	RSM1	0.886	0.920	0.743
	RSM2	0.864		
	RSM3	0.825		
	RSM4	0.871		
READINESS TOCHANGE	RTC2	0.924	0.812	0.621
	RTC3	0.346		
	RTC5	0.944		
TECHNOLOGICAL RESOURCES	TEC1	0.718	0.808	0.516
	TEC3	0.603		
	TEC4	0.717		
	TEC5	0.818		
TRAINING	TRN1	0.839	0.849	0.537
	TRN2	0.873		
	TRN3	0.699		

	TRN4	0.563
	TRN5	0.643
	RTC	1.000

Source: Smart PLS 4

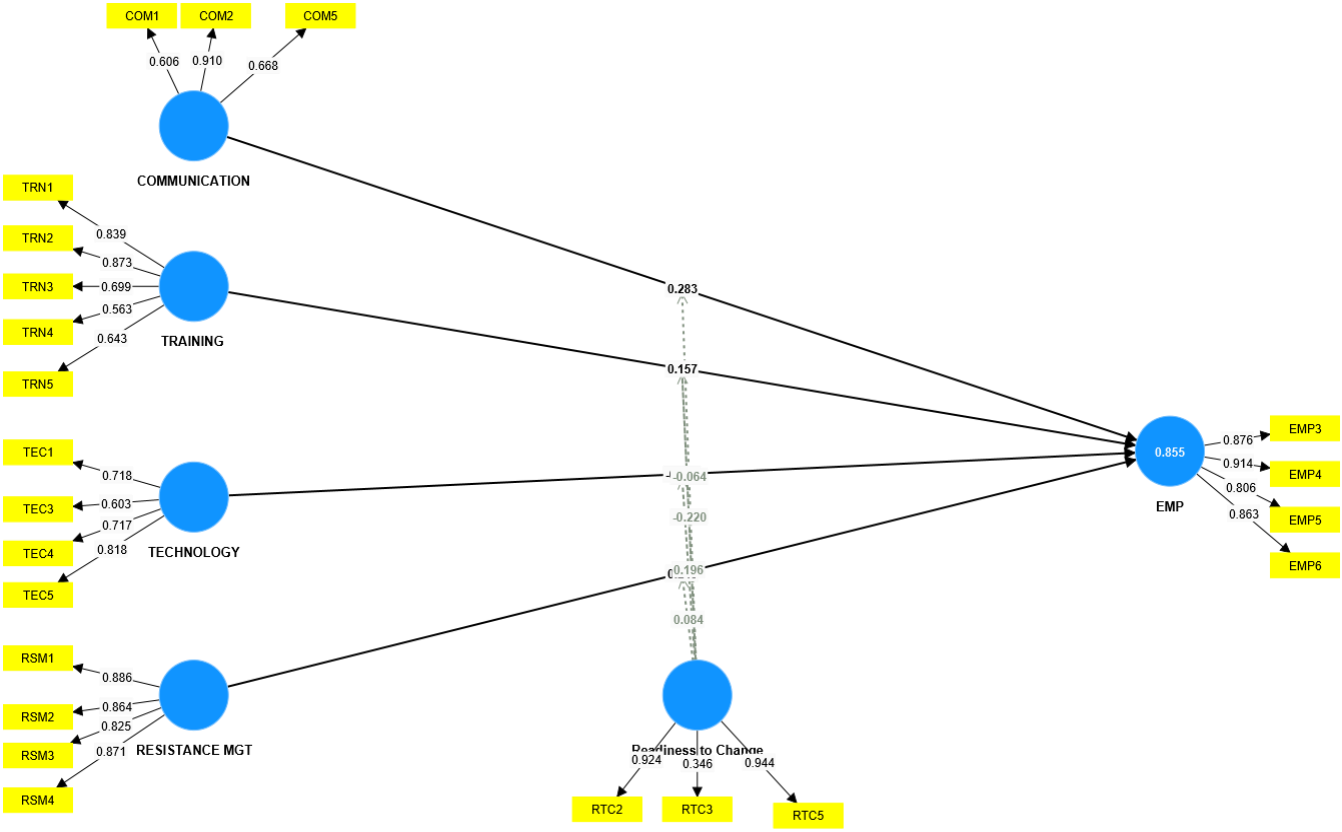


Fig. 1. Measurement model.
Source: Smart PLS 4

Table 1 shows the Composite Reliability (CR), Average Variance Extracted (AVE), and factor loadings of each measurement which indicates the validity and reliability of the measurement model for this study. The validity of a measurement model was established because the AVE values of all the constructs are above the required threshold of 0.5. The CR values are also above the threshold of 0.7. Also, Figure 1 shows that the item loadings for each construct majority of the items load above the benchmark of 0.7 (Hair et al., 2021). Therefore, the constructs' reliability was achieved. However, before achieving the AVE, the suggestion of Hair et al. (2010) that one should consider deleting items with lower loadings to improve the AVE was employed. Therefore, 8 items including COM3, COM4, RTC4, RTC1, TEC2, EMP1, EMP2, and RSM5 out of the 32 total items were deleted before the AVE was achieved.

Table 2: Path Coefficient

	Original sample (O)	T statistics (|O/STDEV|)	P values
COMMUNICATION -> EMP	0.283	2.363	0.018
RESISTANCE MGT -> EMP	0.249	3.337	0.001
Readiness to Change -> EMP	0.450	3.675	0.000
TECHNOLOGY -> EMP	-0.108	0.898	0.369
TRAINING -> EMP	0.157	1.257	0.209
Readiness x RESISTANCE MGT -> EMP	0.084	1.236	0.217
Readiness to Change x COMMUNICATION -> EMP	-0.064	0.617	0.537
Readiness to Change x TRAINING -> EMP	-0.220	2.170	0.030
Readiness to Change x TECHNOLOGY -> EMP	0.196	1.685	0.092
R Square (R^2)	0.855		

Source: Smart PLS 4

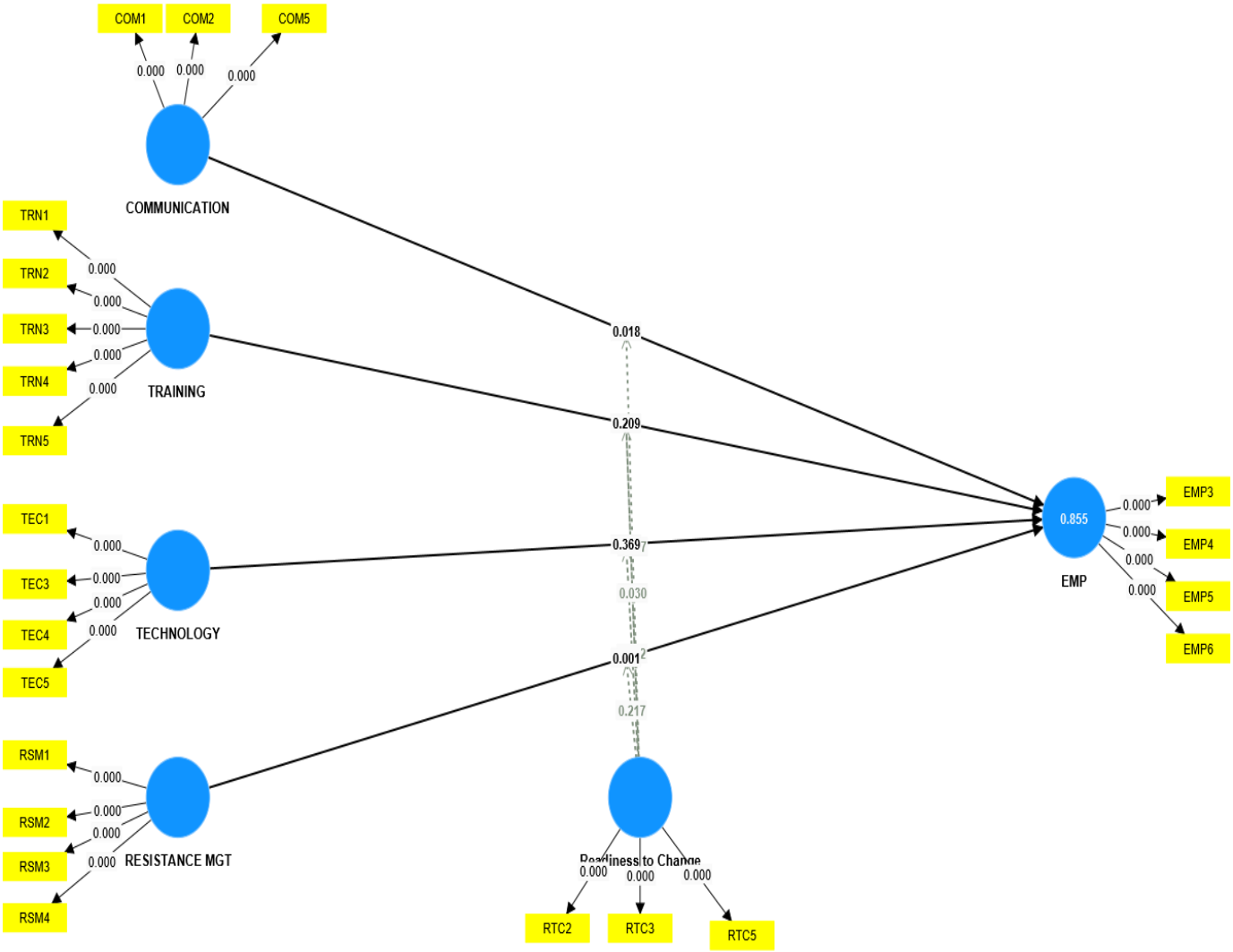


Figure 2: Structural Model

The correlations between the latent variables, P values, T statistic values, and the values of all path coefficients are shown in Fig. 2 and Table 2. The analysis indicates that communication (COM) (β= 0.283, *p* = 0.018) has a positive significant effect on employee performance (EP). Also, Resistance management (RSM) (β= 0.249, *p* = 0.001) has a positive significant effect on employees performance (EP). The result also indicates that readiness to Change (RTC) (β= 0.450, *p* = 0.000) has a positive significant effect on employees performance (EP). Technology (TEC) (β= 0. -0.108, *p* = 0.369) has a negative and insignificant effect on employees' performance (EP). Furthermore, the results reveal that Training, (TRN) ((β= 0.157, p=0.209) has a positive but insignificant effect on EP.

Moreover, the moderation result of the model shows that RTC (β= 0.084, T-statistic = 1.236, *p* = 0.217) insignificantly moderates the relationship between Resistance management (RSM) and EP. Also. RTC dos not moderate the relationship between COM and EP (β= -0.064, T-statistic = 0.617, *p* = 0.537). However, RTC has a negative significant moderating effect on the relationship between TRN and EP (β= -0.220, T-statistic = 2.170, *p* = 0.030). Lastly, RTC has a positive but insignificant effect between TEC and EP. Finally, the result form table 3 and figure 2 shows an R Square value of 0.855 which indicates that all the independent variables (COM, TRN, TEC, and RSM) and the moderating variable (RTC) account for 86% of the variance in EP.

Discussion of Findings

The finding revealed that communication significantly affect employee performance therefore, Ho_1 was rejected aligns with Adeyemi and Gbadegesin (2022), Men and Yue (2019), all of whom found that transparent, timely, and structured communication enhances employee performance during organizational change. In the Fintech companies, where changes in regulatory frameworks, product iterations, and technology stacks occur rapidly, communication becomes a fundamental performance enabler. Employees who are well-informed about change

rationale, timelines, and expected behavioral adjustments are better equipped to align their performance with organizational goals.

The significant effect of training on performance prompted the study to rejection of Ho_2 which is in line with the findings of Okafor and Nwachukwu (2023), and Katsaros et al. (2020). The finding that technological resources insignificantly effect on employee performance made the study to support Ho_3. Fintech companies are fundamentally technology-driven enterprises. Employees' ability to perform effectively is intrinsically tied to the quality, reliability, and accessibility of the technological tools at their disposal. Inadequate technological resources may create friction, reduce efficiency, and undermine the gains achievable from communication and training efforts.

Resistance management was also found to significantly predict performance. Therefore, Ho_4 was rejected, consistent with Aliyu and Abdullahi (2024) and Oreg et al. (2018). When resistance to change is poorly managed, it manifests as disengagement, absenteeism, and reduced performance. The confirmation of readiness to change as a significant moderator only applies to Ho_6 which was rejected. However, other Hypothesis testing the moderating effect of readiness to change including Ho_5, Ho_7, and Ho_8 were all supported because the findings of the study revealed an insignificant moderating effect.

Conclusion

This study has empirically investigated the moderating role of readiness to change in the relationship between change management practices and employee performance in Fintech companies in Abuja. The findings confirm that readiness to change significantly affect training the most. The study contributes to the sparse empirical literature on change management in the Nigerian Fintech sector and provides a theoretically grounded, empirically validated framework for understanding how organizational change translates or fails to translate into improved employee performance. Based on the findings of this study, the following recommendations are offered to Fintech companies, HR practitioners, and policymakers in Fintech Companies in Abuja.

Recommendations

First, Fintech companies should invest in structured organizational change management strategies especially training as it is significantly moderated by readiness to change. These strategies should include; training programs should be designed not just to transmit information but to build competencies. Fintech companies should conduct training needs assessments before launching change initiatives to ensure that programs address specific skills gaps that the change creates.

Fintech Companies should also focus on technological resources even though it insignificantly affects performance Fintech companies should not relent their effort on providing adequate technology infrastructure investment. This includes not just hardware and software procurement but also digital literacy programs, technical support systems, and user-friendly interface design.

Furthermore, resistance management should be proactive rather than reactive. Fintech Companies should establish formal channels for employee input into change decisions, create psychological safety for expressing dissent, and recognize and reward early adopters of change. Lastly, Fintech companies should conduct readiness to change assessments before implementing major change initiatives. Tools such as the Organizational Change Questionnaire (OCQ) or the Readiness for Change Scale (Holt et al., 2007) can be adapted for use in Fintech contexts to identify readiness levels across teams and departments.

Limitations and Recommendations for Further Research

This study has several limitations that future research should address. The cross-sectional design limits causal inference; longitudinal studies tracking change management practices, readiness levels, and performance over time would provide richer insights. The study was also confined to Abuja, which may limit generalizability to other LGAs or geopolitical zones in Nigeria. Future research should extend this model to other Fintech hubs such as Lagos, Kaduna and Port Harcourt or represent Nigeria as a whole. Additionally, future studies could examine other potential moderators, such as organizational culture, leadership style, and trust in management, within the change management performance framework.

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