REVIEW ARTICLE

Organizational Politics and Employee Performance: Evidence from Pharmaceutical and Healthcare Product Manufacturing Industry

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Abstract

Organizational politics presents significant challenges in the workplace, yet many employers lack clear strategies for managing its complexities. Failure to address political behaviour within acceptable limits can erode organizational competitiveness and performance. This study investigates the impact of organizational politics on employee performance at Sonacrest Healthcare Nigeria Plc, a major player in the healthcare manufacturing sector. The study focuses on three dimensions of organizational politics lobbying, withholding relevant information, and sustaining influence and control and their effects on employee adherence to administrative standards, efficiency, and quality of work. Using a survey research design, data were collected from 225 randomly selected employees out of a population of 606 through structured questionnaires. Path analysis revealed that lobbying has a significant positive effect on administrative standards, suggesting that political engagement may help formalize organizational procedures. Conversely, withholding information negatively impacts employee efficiency, highlighting the need for transparent communication systems. Sustaining influence and control was found to positively influence work quality, likely due to high-performance expectations set by those in power. The findings underscore the dual nature of organizational politics—its potential to enhance or hinder performance. The study recommends the implementation of inclusive policy-making channels, robust communication systems, and balanced leadership approaches to harness the positive aspects of organizational politics while mitigating its risks. These insights offer practical guidance for improving employee performance and organizational effectiveness in politically dynamic environments like Nigeria's healthcare manufacturing sector.

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1. INTRODUCTION

Organizational politics and employee performance are pivotal themes in human resource management, particularly within the dynamic and often volatile context of pharmaceutical and healthcare product manufacturing in Africa. In Nigeria, the relationship between these two variables is influenced by a complex interaction of socio-economic, organizational, and psychological factors that shape the nation's distinctive workplace environment. The pharmaceutical and healthcare manufacturing sector is a vital contributor to national development, offering employment opportunities, promoting value addition, and driving industrial advancement. However, the sector faces numerous structural and operational hurdles, including inadequate infrastructure, inconsistent government policies, heavy reliance on imports, limited access to financial resources, and a shortage of skilled labor (Sajuyigbe et al., 2021). These persistent issues create a high-pressure atmosphere characterized by scarce resources, intense competition for recognition and promotion, and precarious job security conditions that often foster organizational politics (Yang & Choi, 2016).

Organizational politics refers to intentional acts by individuals or groups aimed at advancing personal or group interests, frequently at the expense of organizational goals. These activities may be formal or informal and can include coalition building, manipulation of information, undue influence over decision-makers, self-serving networking, and efforts to undermine colleagues. In Nigerian manufacturing firms, such behavior is exacerbated by deeply

entrenched hierarchical structures and a high power-distance culture, making political maneuvering a routine aspect of organizational life. The effects of organizational politics on employee perceptions and performance can be far-reaching. It can erode perceived supervisory support, stifle developmental opportunities, weaken peer collaboration, and influence the perceived fairness of sanctions and rewards (Ofoegbu et al., 2012). Abbass and Raja (2014) note that organizational politics disrupts learning and performance processes, particularly by undermining commitment, innovation, service delivery, and output quality and quantity. Rotimi and Chima (2021) further argue that political dynamics in the workplace can lead to the appointment of unqualified individuals to strategic positions. Such individuals may ascend through manipulation rather than merit, adversely impacting decision-making, resource allocation, and long-term sustainability. These outcomes may manifest as misappropriation of resources, fraudulent practices, and a general stagnation of organizational development (Ogweng & Evelyn, 2020). While some scholars acknowledge that organizational politics can, in certain contexts, motivate strategic behaviour and enhance visibility for high-performing employees (Shamaila, 2012), the overall impact is often detrimental. Political environments may demoralize employees, reduce engagement, and contribute to feelings of victimization, all of which hinder performance.

The intersection of organizational politics and employee performance in Nigeria's pharmaceutical and healthcare product manufacturing industry is thus a product of cultural norms, organizational structures, and industry-specific pressures. Addressing these political dynamics is vital for fostering employee well-being and achieving organizational effectiveness. Despite the significance of this issue, empirical research focusing on indigenous manufacturing firms remains limited. Most existing literature is concentrated on public institutions or parastatals (Oladele et al., 2022; Ogweng & Evelyn, 2020, 2020; Ogundare, 2023; Khan et al., 2020; Karatepe, 2013; Muhammad & Nasreen, 2014; Kusuma & Saradadevi, 2016).

This research gap highlights the need for a thorough investigation into how specific forms of organizational politics such as lobbying, withholding critical information, and sustaining influence and control impact employee performance within the unique context of Nigeria's pharmaceutical and healthcare product manufacturing industry. Organizations like Sonacrest Healthcare Nigeria Plc, operating in a highly regulated sector, depend on strict adherence to health and safety standards, where employee behaviour directly influences regulatory compliance and product integrity. Political dynamics that undermine merit-based leadership or promote favouritism can erode adherence to protocols, diminish employee vigilance, and compromise overall work quality posing serious risks to both the organization and the end users of its products. This study provides valuable insights for the management of pharmaceutical and healthcare product manufacturing firms like Sonacrest, guiding the development of policies that reduce political interference, foster transparent communication, and enhance employee engagement ultimately improving productivity, compliance, and product quality.

Theoretical Framework

A range of theoretical frameworks such as Agency Theory, Social Exchange Theory, Equity Theory, Organizational Justice Theory, Conservation of Resources (COR) Theory, Political Skill Theory, Path-Goal Theory, and Attribution Theory have been employed by scholars to explore the relationship between organizational politics and employee performance. This study specifically draws on Agency Theory, Social Exchange Theory, and Equity Theory to examine how organizational politics affects employee performance within the Nigerian pharmaceutical and healthcare product manufacturing sector. These theories provide valuable perspectives on how organizational politics shape employee attitudes, motivation, and overall job performance.

Agency Theory

Agency Theory, originally rooted in economics, was formally introduced by Michael C. Jensen and William Meckling in their seminal 1976 paper, Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. The theory initially addressed issues related to corporate governance, executive compensation, and financial management, but has since been widely adopted across disciplines such as management, accounting, and organizational behaviour (Rose, 2022). At its core, Agency Theory explores the relationship between two parties: the principal (e.g., business owners or shareholders) who delegates tasks, and the Agent (e.g., managers or employees) who performs these tasks on the principal's behalf (Ranita, 2024). The theory assumes that agents are self-interested and may not always act in the principal's best interests. This dynamic is often complicated by information asymmetry—where agents possess more or better information than principals—and by agency costs, which include the expenses of monitoring agent behaviour and aligning incentives.

Agency Theory is particularly concerned with mitigating the conflicts of interest that arise in these

relationships. According to Oladele et al. (2022), it informs the design of governance mechanisms such as contracts, performance evaluations, and incentive systems to ensure agents act in line with principals' goals. Misalignment between these goals often leads to organizational politics, as agents pursue self-interest over organizational objectives. In complex and hierarchical settings like Nigerian manufacturing firms where regulatory enforcement may be weak the theory offers valuable insights. Political behaviours can flourish when governance structures are ineffective. For instance, employees may underperform if they believe that promotions and rewards are based on favouritism rather than merit. This not only demoralizes high-performing staff but also undermines collaboration and innovation, as attention shifts from productivity to political manoeuvring. Ogweng, and Evelyn (2020) illustrate this with the example of a production manager (agent) who promotes loyal subordinates regardless of their performance. Due to limited oversight, the principal remains unaware, resulting in inefficiencies, poor morale, and declining organizational performance (Ogundare, 2023). Moreover, agents may distort or withhold information to advance personal agendas, prioritize allies over competent staff, or pursue status and financial gain at the expense of the firm's effectiveness.

Agency Theory centres on the relationship between principals (owners or managers) and agents (employees), focusing on aligning interests through organizational policies like incentives, monitoring, and contracts. It explains how policies such as performance-based pay or clear accountability mechanisms can motivate employees to act in the organization's best interests, thereby improving performance (Kusuma, & Saradadevi, 2016). This theory is essential for understanding the contractual and control mechanisms that organizations use to manage employee behaviour and reduce agency costs (e.g., shirking or moral hazard) (Karatepe, 2013). Agency Theory thus provides a useful framework for understanding how political behaviours develop and persist within organizations. By addressing issues of goal misalignment and information asymmetry, Nigerian manufacturing firms can craft policies and controls that reduce political behaviour and enhance employee performance. This makes the theory a valuable tool for both researchers and practitioners in human resource and organizational management. While much literature addresses employee motivation broadly, Agency Theory fills the gap related to formal structures and governance mechanisms highlighting how well-designed policies reduce conflicts of interest and align employee actions with organizational goals, which is often overlooked in studies that focus solely on intrinsic motivation.

Social Exchange Theory (SET)

Social Exchange Theory (SET) originated from the disciplines of sociology and social psychology, with foundational contributions from scholars such as George Homans (1958), Peter Blau (1964), and Richard Emerson (1976). The theory is grounded in the idea that human relationships are formed and sustained through a cost-benefit analysis, where individuals aim to maximize rewards and minimize costs in their interactions (Ferris et al., 2002). Within the organizational context, SET conceptualizes the workplace as a system of reciprocal exchanges between employees and their employers or supervisors. Employees invest time, effort, and skills with the expectation of receiving fair returns, such as compensation, recognition, support, and opportunities for career advancement. When these exchanges are perceived as fair and beneficial, employees are more likely to demonstrate positive attitudes and behaviours—including higher job satisfaction, organizational commitment, and improved performance. Conversely, when the exchange is seen as imbalanced or exploitative, it can result in dissatisfaction, disengagement, and counterproductive behaviour (Gotsis & Kortezi, 2011). According to Heydari et al. (2020), SET is especially relevant in the Nigerian manufacturing industry, which often features rigid hierarchical structures. In such environments, perceived fairness and reciprocity in manager-employee interactions are crucial for maintaining employee morale and sustaining productivity. The theory underscores the importance of mutual respect and equitable treatment in fostering a positive work environment.

Oladele et al. (2022) highlight the disruptive role of organizational politics—including favouritism, nepotism, and patronage in Nigerian firms. These behaviours distort the perceived fairness of the exchange relationship. When employees observe that promotions and rewards are based on political alignment rather than merit, they may reduce their effort, disengage from their tasks, or even exit the organization. Similarly, Ogweng, and Evelyn (2020) emphasize that Nigerian manufacturing firms face significant challenges such as brain drain, high employee turnover, and skill shortages. SET advocates for the implementation of trust-building and fairness-oriented policies, such as transparent promotion systems, employee recognition programs, and participatory leadership. Such practices not only enhance employee retention but also improve overall performance.

Social Exchange Theory emphasizes reciprocal relationships between employees and organizations, where organizational policies shape employees' perceptions of support and fairness, influencing

their commitment and discretionary effort. Policies that promote trust, support, and fair treatment encourage employees to reciprocate with positive behaviours such as higher performance and organizational citizenship (Albloush et al., 2021). By applying the principles of Social Exchange Theory, leaders in Nigerian manufacturing firms can design organizational policies that prioritize fairness, consistent feedback, and managerial support. This, in turn, encourages employees to reciprocate through loyalty, innovation, and extra-role behaviours (e.g., helping colleagues or exceeding job expectations). Ultimately, SET offers a valuable framework for understanding how organizational politics influence employee performance. By fostering fair and reciprocal exchanges, Nigerian manufacturing firms can mitigate the negative effects of political behaviour, enhance employee engagement, and drive organizational effectiveness. This theory addresses the relational and psychological aspects of employee behaviour often missing from purely economic or control-based models. It bridges the gap by explaining how informal social contracts and perceived organizational support shaped by policies affect motivation and performance beyond formal incentives.

Equity Theory

Equity Theory, developed by psychologist J. Stacy Adams in the 1960s, focuses on workplace motivation through the lens of fairness and social comparison. The theory asserts that individuals evaluate the fairness of their work relationships by comparing their input-to-outcome ratio—such as effort, skills, and loyalty versus salary, recognition, and benefits—to that of their peers. When employees perceive equity, they tend to experience greater satisfaction, commitment, and motivation (Albloush et al., 2024). Conversely, perceived inequity— whether feeling under-rewarded or over-rewarded— can cause emotional distress and prompt behaviours aimed at restoring balance, including reduced effort, withdrawal, or absenteeism (Gotsis & Kortezi, 2011).

In the Nigerian manufacturing sector, Equity Theory offers crucial insights into managing employee behaviour. Rotimi and Chima (2021) note that many firms face challenges with perceived unfairness in distributing rewards like promotions and bonuses. Such perceptions, often fuelled by organizational politics, nepotism, or favouritism, can demotivate employees and lower overall performance. Ogweng and Evelyn (2020) further highlight that when rewards appear tied to personal connections rather than merit, feelings of inequity lead to dissatisfaction, diminished morale, and reduced commitment. Equity Theory thus serves as a foundation for designing

transparent, merit-based evaluation systems to counteract these issues. Given the high turnover and workforce instability in Nigeria's manufacturing industry, Equity Theory underscores that employees who perceive fair treatment relative to their peers are more likely to remain loyal, motivated, and engaged (Shamaila, 2012). Organizations can apply this by maintaining consistent pay structures, performance appraisals, and promotion criteria. Vigoda et al. (2002) support this view, emphasizing that fair managerial practices rooted in fairness, openness, and accountability boost employee performance. When employees trust that their contributions are justly recognized, they tend to display positive behaviours such as increased effort and collaboration.

Equity Theory focuses on employees' perceptions of fairness regarding input-output ratios compared to peers. It directly links organizational policies on compensation, rewards, and recognition to employee satisfaction and motivation. When policies are perceived as equitable, employees are more likely to be engaged and perform well; perceived inequities can lead to dissatisfaction and reduced productivity (Rotimi & Chima, 2021). Overall, the theory provides a culturally relevant and practical framework for understanding how fairness perceptions influence employee attitudes and behaviours in Nigerian manufacturing. By fostering equitable organizational policies, firms can mitigate the negative effects of political behaviour, enhance employee satisfaction, and improve overall performance. This makes the theory a valuable guide for HR professionals and leaders aiming to create a more productive and fairer workplace. Many studies overlook how subjective perceptions of fairness influence employee behaviour. Equity Theory fills this gap by providing a framework for understanding how fairness in policies affects attitudes and performance, highlighting the importance of transparency and meritocracy in organizational systems.

Literature Review and Hypothesis Development

Previous studies have consistently established a strong link between political/organizational politics and employee performance across both developed and emerging economies. For example, Albloush et al. (2025) examined the impact of organizational politics on employee performance in Jordanian public hospitals and found a significant positive relationship. Similarly, Akinnuoye and Onuoha (2021) reported that workplace politics significantly affect employee performance in the telecommunications sector in Rivers State, Nigeria. In the public sector, Ogweng and Evelyn (2020) found a direct connection between organizational politics and employee performance within local government institutions. This aligns with

the findings of Okeke and Mbah (2019), who affirmed that organizational politics are significant predictors of employee performance in selected tertiary institutions in Anambra State, Nigeria.

Further evidence is provided by Albloush et al. (2024), who explored the mediating role of transformational leadership in the relationship between organizational politics and performance. Their results confirmed a direct link between organizational politics and organizational performance, with transformational leadership acting as a key mediator. In a related study, Albloush et al. (2021) demonstrated that organizational politics significantly shape organizational citizenship behavior. The critical role of organizational politics is further supported by Alghizzawi et al. (2024), who reaffirmed that such politics are major determinants of employee performance. Likewise, Alharafsheh et al. (2022) emphasized that organizational and political politics are essential drivers of organizational success. Ellen III et al. (2022) also confirmed that organizational politics have a significant impact on job satisfaction and performance, while Heydari et al. (2020) established a direct relationship between political politics and employee outcomes.

In the context of HR practices, Ranita (2024) found that well-designed organizational politics enhance employee engagement, motivation, and overall performance, positioning them as critical mechanisms for organizational effectiveness. Furthermore, Albloush et al. (2019) linked organizational dynamics to job performance, mediated by employees' perceptions of training and development opportunities. These findings are supported by theoretical frameworks. Equity Theory posits that employees perform better in environments where favouritism, nepotism, and political manipulation are minimized (Yang & Choi, 2016). Social Exchange Theory argues that transparent and fair organizational politics foster trust and intrinsic motivation, while politicized environments diminish morale and reduce performance (Alghizzawi et al., 2024). Alharafsheh et al. (2022) concur, asserting that unfair political practices such as promotions based on personal connections lead to dissatisfaction and turnover. Conversely, politics based on fairness and meritocracy foster organizational commitment and improve retention.

Collectively, these studies highlight that consistency and transparency in organizational politics promote a sense of justice and equity, which are essential for sustaining high performance. Moreover, well-structured organizational frameworks can transform potentially destructive power struggles into constructive leadership and healthy organizational competition.

Based on the empirical and theoretical evidence, the following hypotheses are proposed:

- H1: Lobbying has a positive and significant association with administrative standards.
- H2: Withholding relevant information has a positive and significant effect on employee efficiency.
- H3: Sustaining influence and control have a positive and significant effect on the quality of work.

Conceptual Framework for the Study

Figure 1: Conceptual Model

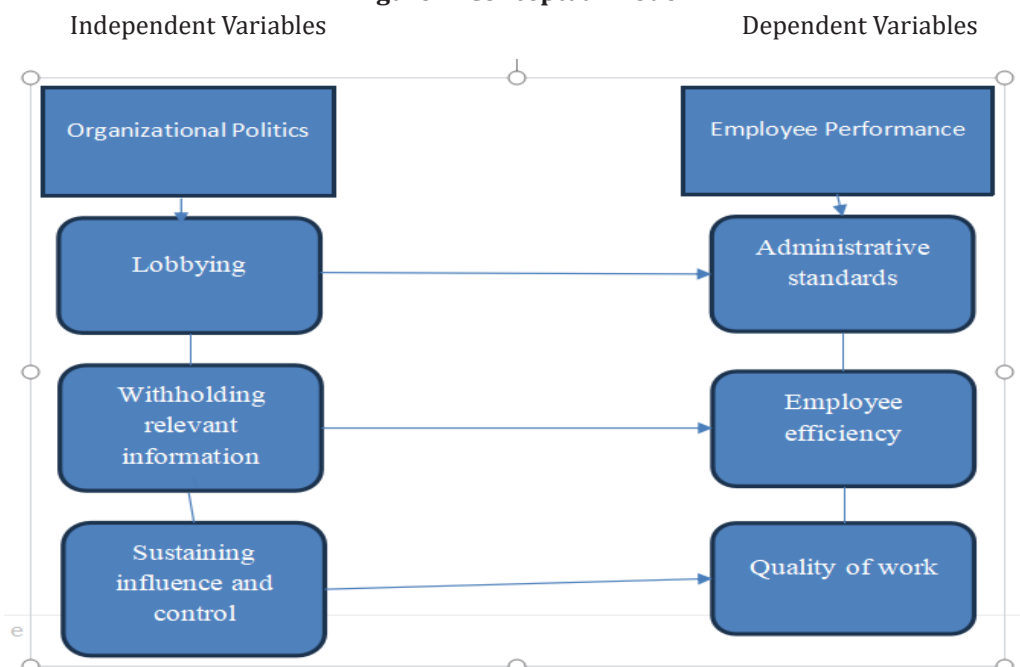Independent Variables   Dependent Variables

Figure 1 illustrates a conceptual model developed to predict employee performance, which is assessed through three key indicators: administrative standards, employee efficiency, and quality of work. The model integrates dimensions of political politics, specifically lobbying, withholding relevant information, and sustaining influence and control. This section establishes the foundation for the conceptual framework and introduces hypotheses that explore the relationships among these variables. In the manufacturing sector, political politics—particularly when rooted in self-interest, favouritism, or a lack of transparency can have a substantial impact on employee performance, morale, and productivity. These effects manifest both behaviourally and operationally, influencing employee outcomes, workflow efficiency, and broader organizational performance.

Lobbying, often associated with external government influence, also plays a critical role within organizations. Internal lobbying can profoundly affect administrative standards, especially in manufacturing environments where structure, consistency, and merit-based systems are essential for achieving operational efficiency. Moreover, withholding vital information such as updates on production schedules, equipment maintenance, safety procedures, or process changes can significantly disrupt operational flow and hinder employee efficiency. Timely and transparent communication is therefore crucial for maintaining productivity. Lastly, sustaining influence and control through political strategies undermines the quality of work in manufacturing settings. This behaviour fosters favouritism, reduces accountability, stifles innovation, and erodes meritocracy, all of which contribute to a decline in work standards and employee engagement. Consequently, lobbying, withholding relevant information, and sustaining

influence and control are expected to have a direct impact on administrative standards, employee efficiency, and quality of work respectively.

Methodology

This study employed a survey research design as an effective approach to gather data and address the research questions. This method facilitated the collection of unbiased responses, enabling informed decision-making based on systematic data analysis. The target population comprised 606 employees drawn from Sonacrest Healthcare Nigeria Plc. The selection of this company is based on the fact that Sonacrest Healthcare Nigeria Plc is a key player in the healthcare manufacturing industry, relies heavily on the consistent performance of its employees to meet production standards, comply with regulatory requirements, and ensure product quality. Any internal factors that disrupt employee focus, efficiency, or morale such as political politics can have serious implications for both operational outcomes and patient safety. To conduct the research, a sample of 225 staff from various cadres within the different departments was randomly selected using a simple random sampling technique. The primary data collection involved structured questionnaires designed for senior and junior respondents from the selected Sonacrest Healthcare Nigeria Plc. The questionnaires incorporated scales for lobbying, withholding relevant information, and sustaining influence and control, administrative standards, employee efficiency, and quality of work, adapted from the works of Ranita (2024), Ellen III et al. (2022), Alharafsheh et al. (2022), Heydari et al. (2020), Akinnuoye and Onuoha (2021), and Ogweng and Evelyn (2020) respectively, as indicated in Table 1. Data analysis was conducted using path analysis with the aid of STATA version 15.

Table 1: Research instrument

Variable	Items	AVE	Composite Reliability	α of Cronbach	Source
Lobbying	1. Promotions in my organization are often influenced by personal lobbying rather than merit. 2. Employees who build strong relationships with management receive preferential treatment. 3. Lobbying for resources or attention is necessary to succeed in this organization. 4. Managerial decisions are often influenced by internal lobbying efforts. 5. Lobbying is a common strategy used to gain strategic roles or projects.	0.843	0.812	0.817	Ranita (2024)

Withholding Relevant Information	1. Some employees intentionally withhold information critical to team performance. 2. I have experienced delays in receiving important information due to internal politics. 3. Managers sometimes fail to share relevant updates that affect our work. 4. Withholding information is used as a power tactic within my organization. 5. Lack of transparent communication negatively affects our operational flow.	0.811	0.823	0.837	Ellen III et al. (2021)
Sustaining Influence and Control	1. Certain individuals retain influence by undermining others' contributions. 2. Some managers maintain control by excluding others from decision-making. 3. Authority in this organization is sometimes used to suppress innovation. 4. Power is deliberately concentrated among a few individuals. 5. Employees with influence often avoid accountability.	0.792	0.810	0.828	Alharafsheh et al. (2022)
Administrative Standards	1. Administrative decisions in this organization follow clearly defined procedures. 2. Policies and rules are applied consistently across all departments. 3. There is transparency in how administrative processes are managed. 4. Performance appraisals are conducted fairly and objectively. 5. Administrative processes are free from political interference.	0.822	0.817	0.832	Heydari et al. (2020)
Employee Efficiency	1. I complete my tasks within the expected timeframe without unnecessary delays. 2. I am able to prioritize and manage my workload effectively. 3. Workplace processes support my ability to work efficiently. 4. Disruptions from organizational politics affect my productivity. 5. I consistently meet performance expectations despite workplace challenges.	0.817	0.823	0.810	Akinnuoye and Onuoha (2021)
Quality of Work	1. I take pride in delivering high-quality work that meets standards. 2. Organizational culture supports attention to detail and excellence. 3. Political interference compromises the overall quality of work produced. 4. I am motivated to exceed expectations in my role. 5. My output consistently meets or exceeds required quality benchmarks.	0.824	0.819	0.825	Ogweng et al. (2020)

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Table 1 presents psychometric properties for different constructs (variables) measured through multiple survey items, alongside their Average Variance Extracted (AVE), Composite Reliability (CR), and Cronbach's Alpha (α) values. All constructs show that AVE > 0.79: Indicating strong convergent validity (threshold is typically >0.50). The Composite Reliability and Cronbach's Alpha > 0.80: Suggest excellent reliability and internal consistency of the items measuring each construct. These metrics confirm that the scales used are statistically robust and suitable for further analysis (e.g., structural equation modelling or regression analysis).

Results and Discussion

Table 2: Path Analysis (Direct Effect)

Path	Coef.	T-value	p-value	Hypothesis	Remark
ADS <-LB	.0743	4.16	0.000	H1	Supported
EE <-WRI	-.0359	-3.09	0.000	H2	Supported
QW <-SIC	.0523	4.87	0.000	H3	Not Supported

Note: LB = Lobbying, ADS = Administrative standard, WRI = Withholding relevant information, EE = Employee efficiency, SIC = Sustaining influence and control, QW = quality of work.

Table 2 summarizes the results of a path analysis examining the relationships between dimensions of organizational politics and workplace outcomes in the health sector, using coefficients (effect sizes), t-values (statistical significance), and p-values (likelihood of results occurring by chance). The results show that lobbying has a significant positive impact on administrative standards, with a coefficient of 0.0743, a t-value of 4.16, and a p-value of 0.000. This suggests that in the health sector, lobbying may play a role in shaping or reinforcing rules and procedures, possibly because politically active individuals advocate for policies that align with their interests. Although lobbying is often viewed negatively, in this context it may help formalize standards or promote transparency in processes. Nevertheless, it is important to ensure these standards remain inclusive and are not driven by self-serving agendas.

Conversely, withholding relevant information has a significant negative effect on employee efficiency, indicated by a coefficient of -0.0359, a t-value of -3.09, and a p-value of 0.000. Given the critical need for timely and accurate information in healthcare—especially for patient care and task coordination—such withholding undermines productivity. Therefore, information hoarding stemming from internal politics can delay decision-making and impede collaboration. Healthcare leaders should prioritize transparent communication and actively discourage behaviours that withhold essential updates or knowledge.

Finally, sustaining influence and control positively influences the quality of work, with a coefficient of 0.0523, a t-value of 4.87, and a p-value of 0.000. Although this may seem counterintuitive, it likely reflects that individuals in positions of power enforce standards or push for high performance to maintain their status. In healthcare, where quality is crucial, those holding influence may help uphold high standards to demonstrate competence. However, if such influence is maintained through exclusion or suppression of innovation, it can be detrimental over time. Therefore, leadership must strive to balance authority with inclusivity to sustain positive outcomes. These results align with previous studies (Ogweng & Evelyn, 2020; Ofoegbu et al., 2012; Ranita 2024; Ellen III et al., 2022; Alharafsheh et al., 2022; Heydari et al., 2020; Akinnuoye & Onuoha, 2021; Ogweng and Evelyn (2020) that organizational politics have a direct link with performance.

Conclusion

This study demonstrates that organizational politics significantly impact workplace outcomes within the pharmaceutical and healthcare product manufacturing sector, particularly at Sonacrest Healthcare Nigeria Plc. Lobbying activities, while often perceived negatively, can contribute positively by reinforcing administrative standards and formalizing procedures. However, withholding relevant information undermines employee efficiency, highlighting the critical need for transparent communication in healthcare environments where timely information is vital. Additionally, sustaining influence and control appears to enhance the quality of work, likely through enforcing performance standards, though it requires careful management to avoid exclusionary or suppressive practices. Overall, pharmaceutical and healthcare product manufacturing organizations must recognize the complex role of internal politics and promote inclusive leadership and open communication to optimize employee efficiency and work quality, thereby safeguarding both operational success and patient care.

Theoretical Implications

This study's findings, interpreted through the lenses of Agency Theory, Social Exchange Theory (SET), and Equity Theory, offer important theoretical insights for the pharmaceutical and healthcare product manufacturing sector: For instance, Agency Theory highlights the critical role of governance mechanisms in managing principal-agent relationships within healthcare manufacturing firms. The prevalence of organizational politics such as lobbying and withholding information—reflects underlying agency problems characterized by information asymmetry and goal misalignment between principals (owners/managers) and agents (employees). Effective policies that align incentives, enhance monitoring, and reduce agency costs can mitigate self-interested behaviours, fostering greater accountability and operational efficiency in the sector. This theory underscores the necessity of transparent administrative standards and performance evaluations to ensure agents act in the organization's best interest, thus improving organizational performance and patient safety outcomes.

Similarly, Social Exchange Theory (SET) provides a complementary framework emphasizing the relational and psychological dimensions of employee behaviour in healthcare manufacturing. The quality of reciprocal exchanges—where employees perceive fairness, recognition, and support—directly influences their engagement and productivity. Organizational politics that distort these exchanges (e.g., favouritism or nepotism) undermine trust and commitment, leading to reduced efficiency and morale. The theory implies that healthcare manufacturers should prioritize equitable treatment, participatory leadership, and transparent communication to build trust and encourage discretionary effort, which are essential in high-stakes environments demanding high-quality output and regulatory compliance.

Additionally, Equity Theory also focuses on employees' perceptions of fairness in the distribution of rewards and recognition within healthcare manufacturing organizations. The theory explains how perceived inequities arising from politically motivated promotions or resource allocations damage motivation and increase turnover risks, which are especially costly in specialized sectors requiring skilled labour. By establishing merit-based, transparent policies for compensation, promotions, and performance appraisal, healthcare manufacturers can foster a culture of fairness that enhances employee satisfaction and retention. Equity Theory thus reinforces the importance of meritocracy and transparency to counteract the negative effects of organizational politics on workforce stability and productivity.

Together, these theories provide a robust multidimensional framework for understanding and addressing organizational politics in the pharmaceutical and healthcare product manufacturing sector. They emphasize the need for integrated governance structures, fair and supportive workplace relationships, and transparent reward systems to reduce political behaviours, enhance employee efficiency, and ultimately improve organizational effectiveness and patient outcomes. These theoretical insights guide both scholars and practitioners in designing policies that align employee actions with organizational goals, foster positive social exchanges, and ensure equitable treatment within this critical industry.

Practical Implications

This study provides valuable guidance for managers, HR professionals, and policymakers in the pharmaceutical and healthcare manufacturing sector, particularly in challenging contexts like Nigeria. Since lobbying can positively influence administrative standards, organizations should create formal, merit-based channels like employee committees to gather input on policies while guarding against favouritism. To address the negative impact of information withholding, firms must build transparent, real-time communication processes and promote a culture of openness, with clear accountability and collaboration incentives. While maintaining influence can improve work quality, leaders should avoid exclusionary practices. Participatory leadership—characterized by delegation, mentorship, and shared authority—can foster innovation and motivation. To curb political behaviours that undermine morale and productivity, firms should enforce clear job roles, fair promotion standards, and whistleblowing policies, supported by ethics and leadership training.

In a high-pressure industry, investing in wellness programs, recognition initiatives, and accessible grievance systems can boost morale and reduce turnover. Recruitment, performance appraisal, and reward systems should emphasize fairness and transparency to build a motivated, high-performing workforce. By implementing these practical strategies, healthcare manufacturers can minimize the harm caused by organizational politics and cultivate a more efficient, equitable, and high-performing workplace.

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