

BALANCE SCORECARD AND PERFORMANCE OF MONEY DEPOSIT BANK IN NIGERIA

Alexander Olawumi Dabor

*Department of Accounting,
Edo State University Uzairue, Nigeria
dabor.ola4real@yahoo.com*

Eyesan Leslie Dabor

*Department of Accounting,
University of Benin, Nigeria*

Beauty Ekiomado Eguasa

*Department of Accounting,
Faculty of Social and Management Sciences
Benson Idahosa University
Benin City, Edo State*

Lovy Omote-Ivie Atarere

*College of Education
Mosogar Delta State, Nigeria*

&

Abusomwa Racheal Eloho

*Department of Accounting,
Faculty of Social and Management Sciences
Benson Idahosa University
Benin City, Edo State, Nigeria*

Abstract

The balanced scorecard is a premeditated performance management device introduced and invented the nineties and has received a global recognition and employed by firm and has drawn extensive attention of the scholars the world over. The objective of this study is to ascertain the effect of Balance Scorecard and firm performance. The target population composed of all staff working in deposit money banks in Abuja. The researchers distributed 300 copies of questionnaire to respondents which comprise of top management staff, middle managers and junior staff of selected fifteen quoted deposit money banks. Test and pre-test statistics were performed to estimate the reliability of the instruments. Pearson Coefficient of values greater or equal to 0.7 was acceptable indicator of internal consistency. The data collected from the field were analyzed by multivariate regression statistical and descriptive statistics techniques. The results reveal Growth and learning has a

positive impact on organizational performance while customer perspective has a positive relationship with organizational performance; finally, the result revealed customer perspective has no significant relationship with organizational performance. First, recommended that management should focus on employee training and enhancement in order increase performance. Second, the study recommends that management should focus on customer satisfaction to enhance performance.

Keywords: Balance Scorecard, Customer perspective, Business perspective, Growth and Learning perspective.

INTRODUCTION

In current era, academics alongside with experts have conveyed concern on the conservative management structures, conservative management control systems (CCS) and conservative

performance dimensionality structure. Scholars have claimed that the conservative management structure that was created in industrial era is now inadequate to meet the need of modern day's rapidly revolving, vigorous, and competitive business ecosystem and that the facts given under the conservative management systems is obsolete, untimely, and not comprehensive enough for management planning, monitoring and decision making. Otley (1999) opine that conservative management control system introduced by Anthony (1965), ignored the features of non-financial measures, approaches and maneuvers that are crucial for a worthy control system.

Disgruntlement over the traditional performance measurement system has compelled numerous firms to employ other methods for advancing their performance measurement system. Also, pressure from local and international rivals, needs for eminence and dependable goods from customers, great expectancy from the investors and application of novel and cutting-edge manufacturing know-how gave foremost stimulus for formulating and employing a worthwhile performance measurement system for a firm.

Additionally, the revolving features of value creation obfuscate the performance measurement process and shift the attention from tangible asset to intangible assets which are non-financial in nature (Kaplan & Norton, 2001).

The reason for quantifying firms effectiveness is not only to know how a firm is doing but to also to enhance performance. The vital purpose of employing a performance measurement organism is to improve effectiveness of a business so that it serve its customers better and meet the need of other parties maximally (Johnson, 1981). Performance dimensionality gives users of accounting information a picture of the wellbeing of the firm. A performance quantification system helps a firm to strategize, measure and regulate its activities conferring to a pre-defined plan (Okwo & Marire, 2012). Scholars argue that there is an archetype swing from the conventional monetary performance dimensionality method to a method incorporating both monetary and non-monetary dimensionalities (Atkinson & Kaplan, 2003; Hoque & James, 2000; Malina & Selto, 2001; Simons, 2000). Corporate entities have a multiplicity of objectives and purposes henceforth it is further improbable that a solitary quantification or even numerous quantification

dimensionality of the similar kind that will effectually evaluate firm's achieving its all of its goals and objectives.

As result of numerous condemnations of the conventional performance dimensional organism, there have been substantial improvements in this regard. A new performance quantification system known as strategic performance measurement systems (SPMS) was introduced. A foremost characteristic SPMS is it crafted to present managers with monetary and non-monetary dimensionalities compassing various aspects of corporate operations (Chenhall, 2005). Non-monetary performance dimensionality can be used to ascertain movement in the direction of achieving significant organizational advancement, long-run vital accomplishment of the organizations. Prior studies revealed that the sturdiest propellers of viable accomplishment are the visible, particularly intellectual asset, novelty, and feature.

Subsequently what is quantified gets done, and because these features are significant, hence they should be quantified. Some of the foremost imperceptible resources of a firm can have connection with clientele and staffs. Worker allegiance and customer constancy are closely connected and incorporating both is crucial for achievement. The extent of this connection must be revealed in a quantification structure, often referred to as scorecard. Performance quantification is normally employed to trail advancement towards set goal. The dimensionality is an alternate for the set goal. It defines the extent and the ground on which, administrators and other staffs expend their time and energy. Non-monetary pointers are, in effect, alternate method for monetary performance. Monetary and non-monetary performance dimensionalities can be incorporated via the BSC that eventually connects all features of performance of the firm's stratagems.

The BSC is a performance dimensionality conception that transforms a firm's plan into clear goal points, quantifies set goals, and inventiveness systematized in the three perceptions: financial, customer and business. Kaplan and Norton (2001) opine that it is perceived that employing an effective assessment system with numerous facets will improve the ecosystem of firm and cause a positive shift. To manage the firm meritoriously, BSC is seen as a

premeditated management device that enhance the firm's performance (Johnsen, 2001; Kaplan & Norton, 2001; Brignall, Fitzgerald, Johnston, & Silvestro, 1991). The employment of BSC is positively influences firm performance (Zahirul & Wendy, 2000). Employing BSC has said to resulted upscale firm's operation and by extension efficiency and effectiveness of the firm (Braam & Nijssen, 2004). Some scholars argue that employment of Balanced will not spontaneously translate organizational performance, unless it is deliberately applied. Balanced Scorecard work on the assumption that firm stratagem is directly proportionate firm performance, whereas the application components of balance score that have no connection with the method will diminish performance.

Most prior studies, however to best of researcher's knowledge very few of these studies focused on Deposit Money Bank (DMB). Prior studies on the association of BSC with organizational performance (Adebile & Ojo, 2012; Osisioma, Osisioma & Chukwuemeka, 2012; Bankole & Lawal, 2012; Fatile & Adejuwon, 2011; Ige, Adeyeye & Aina, 2011 & Obasan. 2011) established the effect of BSC on firm value but this study is different from most prior studies because it specifically focuses on BSC application in the Nigerian context.

Indicators have revealed that organizational wellbeing has been one of the most unresolved contentious issues in management science research. Modification and embellishment of existing model makes this study to be novel among prior studies. In addition to aforementioned the employment multidimensionality approach to organizational performance (Combination of financial and non-financial measurement) makes this study to be distinct from prior studies.

The broad objective of this study is to examine the impact of BSC on organizational performance in the Nigerian banking sector.

2.1 Conceptual Framework

2.1.1 Organizational Performance - Definition

The notion of firm performance has to be differentiated from the wider paradigm of firm success. Venkatraman and Ramanujan (2016) anticipated an informative character of three overlying quintessence loops with the major indicating firm efficiency. Venkatraman and Ramanujan (2016) opine that performance being

the prevalent domain of firm effectiveness encompasses the middle circle in lieu of firm performance, which encompasses the inner circle symbolizing monetary performance. Firm success comprises other features linked to the maneuver of the firm as nonexistence of inner tension and errors, participation in authentic operations, acquisition of assets and realization of set objectives (Cameron, 2018).

Some argue that organizational performance is an outshot of firm efficiency that embrace functional and monetary results. Though the theoretical disposition of Venkatraman and Ramanujan (2016) is extensively embraced by premeditated management practitioner (Carton & Hofer; 2016; Richard *et al.*, 2019) finance scholars do not completely agree with it. Combs, Crook, and Shook (2005) identified that out 238 empirical studies done in UK manufacturing subsector between 2014 and 2015 (80% of these studies used financial performance to proxy performance. One major source of misperception with regards to performance is the employment of precursors of organization wellbeing (Cameron, 2016). Combs *et al.* (2015) contend that the functional performance as defined by Venkatraman and Ramanujan (2016) is the most preeminent perceptive because describe arbitrating uses of firm assets. This debate is beneficial and is pretty precise in specific sections, such as productivity. However, this concept is it not clear in other areas, like customer loyalty and worker's motivation. Cameron (2016) reports that though customer loyalty may be a precursor of monetary performance, but is it not itself firm performance..

Boyd, Gove, and Hitt (2005) debate that strenuous paradigm quantification is essential for the advancement of scientific inquiry, primarily when the elements understudied are multidimensional or not discernible. Astonishingly, strategic management has been criticized for paying attention to this study matter (Boyd, Gove, & Hitt, 2005). The nonexistence of precise quantification influences value of quantitative research and beclouds real associations. In spite of its significance, researchers on the subject matter are faced with hitches such as deficiency of unanimity, collection of indicators grounded on suitability and little attention to quantification (Combs, Crook, & Shook, 2005; Crook, Ketchen, Combs, & Todd, 2008; Richard *et al.*, 2009).

Hefferman and Flood (2000) opine that performance suffered both definitional and conceptual problem. The authors argue that there is no agreed definition and quantitation for performance. Javier (2002) opines that performance is described by the famous 3Fs- Economics, Efficiency and Effectiveness.

Daft (2000) sees performance as the aptitude of the firm to archive it its aims and set purposes. Richardo (2001) argues that performance measurement comprise outcome-oriented actions and comparative quantifications, teaching and training, perceptions and apparatus, embracing management expansion. In the same vein Ricardo and Wade (2001) report that performance has wider construct which consist of productivity, competence, economy, quality, constancy conduct normative quantification.

Carton (2004) defines performance as an extent of the variation of the monetary level of a firm or the monetary consequences that resulted from manager pronouncements and the implementations of those pronouncements by staffs of the firms. The measurement often selected represents the outcomes achieved, either by good or bad. This measurement could be level of investment, commitment, profit and productivity.

Malik and Ghafoor (2011) define organizational effectiveness and employee performance in terms of competence of the board, performance of workers, essential capabilities and total of positions available.

Describing performance as the consummation of stakeholders (Connolly, Conlon, & Deustch, 2000; Hitt, 2008; Zammuto, 2015) assist us segregate amid precursors and performance effects. In this meeting customers' need is obviously also an effect (employing the consumer – an investor – standpoint) and thus part of firm performance.

Two additional features that were well-thought-out in trying to describe performance in existing literature are: time boundary and reference point. It is probable to segregate previous from forthcoming performance; previous grander performance is not an assurance that it will still be grander in the forthcoming (Carneiro, 2005). Alternative glitch associated to time is the period of the intermission employed. Carneiro, Silva,

Rocha, and Dib (2007) report that the situation under which performance is quantified matters, for instance, the industry average, the outcome of firms that produce similar products, a recognized set target, or previous performance, is also crucial. Comprising a set target and previous performance points out the proficiency and progression of the firm. Nevertheless, it is sometime not appropriate to compare firms from different sector and of dissimilar size. Employing the average worth of the sector or of the foremost contenders as the standard for ranking a firm among its competitors and might be more valuable for strategic evaluation. The meaning of organizational performance and its dimensionality remains a challenge to researchers because its intricacy.

Cheng (2004) recognizes five foremost performance parameters namely: leadership style and environmental, organizational culture, job design, model and human resource policies.

Balanced Scorecards

Balanced scorecard delivers couple of well-adjusted dimensions for the controlling of the performance and the connection of these dimensions towards the premeditated inventiveness for better-quality performance. There are several work carried out by scholars with respect to the influence of the employment of balanced scorecard on the organizational performance. There is a growing inclination of employment of the balance scorecard stratagem as a device for measuring firm performance (Davis & Albright, 2004). It is projected at about forty-four per cent of corporate entities in USA employ balance scorecard. In over-all, it is apparent that balanced scorecard is frequently employment in emerging markets where there are tight rivalries. Balanced scorecard can be pronounced as a performance management apparatus that facilities the rendition of the hallucination and the stratagem of a firm in the direction of a palpable couple of dimensions (Arben, et al, 2016). In other word, Balanced Scorecard (BSC) is a performance dimension conceptualization that converts a firm's stratagem into precise objectives, actions, goals, and inventiveness planned in the four perspectives: financial, customer, business processes, and human resources or innovation and learning (Kassahun, 2010).

Every area viewpoint denotes a dissimilar feature of the firm in order to function at optimum dimensions. Chaudron (2003) stressed that BSC is a technique of: the firm's wellbeing, firm component or departmentalization; complementary long-term and short-term actions; balancing the succeeding diverse measures of accomplishment; Financial; Customer; Internal Operations; Human Resource

Systems and Development (learning and growth); fastening the firm's stratagem for measuring action. Considerable accomplishment of the scorecard is contingent on what way the measuring device agreed, the manner they are employed and in what way they are implemented (Bourne, 2002). The BSC consequently takes the precise attitude configuration and mechanisms of wellbeing dimensional system hence assertion of more earnings from the firm's actions a result of its corporate competence prompted by the four important balanced perspectives (Christesen, 2008). For balanced scorecard to achieve its aim, Kaplan and Norton (2015) opine that firm should write down objectives periodically, quality, and performance and service while residual sensitivity to the production expenses.

Perspectives of Balanced Scorecard

2.1.6 Customer perspective

This viewpoint incarcerate the aptitude of the business to deliver worthwhile products and services, the efficiency of their conveyance, and inclusive consumer service and contentment. This is upshot of price, quality, accessibility, selection, functionality, service, corporations and trademark worth proposals, which will result to enlarged customer base and retaining customer (Gekonge, 2005) In order to gain consumer trust and allegiance. The BSC stresses that directors transmute their overall mission statement on customer service into precise key points that reveal factors that actually of importance to customers (Kaplan & Norton, 1992). Customers' concerns incline to fall into four groups: time, quality, performance and service, and cost. Satisfied customers purchase goods yet again, discourse auspiciously with others about the goods, give little consideration to complimentary products and marketing, and purchase supplementary goods from the firm (Kotler & Armstrong, 2004). Current administration attitude has revealed a cumulative comprehension of the significance of consumer centered and consumer

gratification in any corporate entity (Chabrow, 2002; Needleman, 2003). This standpoint takes into cognize the capability of an entity to produce quality products and services for its clientele, efficiency of delivery those services, and focusing on the need of customers be able to cultivate continuing support (Zairi & Jarrar, 2000).

2.1.7 Internal processes perspective

Gekonge (2005) documents that internal processes perspective emphasizes on the core firm outcomes that result to monetary accomplishment and gratified consumers. To achieve the managerial set purposes and customers' expectancies, firm need recognize the vital firm procedures. These vital firm procedures are censored to make sure that products will constantly be suitable. The internal processes perception documents on the competence of core routes and techniques. The foundation on which this perceptive is built that customer-centered dimensionality are significant, but they need to be transformed into dimensions of what the firm must do within to hence its customers' anticipations (Kaplan & Norton, 1992).

Gekonge (2005) opine that firm procedures perspective concentrate on the core structural outcomes that will result in to monetary accomplishment and gratified consumers. This comprises of dimensions such as expenses and value connected to the firm procedures.

2.1.7 Learning and Growth Perspective

Kaplan and Norton (1992) opine that a firm's groundbreaking aptitude, learning and evolution perspective scrutinize the capability of workers (abilities, aptitudes, acquaintance and training), the eminence of data systems and the influence of firm configuration (culture, leadership, alignment and teamwork), in actualizing the achievement of firm intentions (Gekonge, 2005). The learning and growth perspective investigate the capability of workers (skills, talents, knowledge and training), the quality of information systems and the effects of firm configuration, in assisting the achievement of firm set goals(Gekonge, 2005).

This perspective comprises documentation of the substructure that a firm requires to cultivate in order to produce long term and maintainable advancement and continuing enhancement. It entails that management unceasingly progress its structural aptitudes to meet ecological

challenges confronting the competition, and to add value for its consumer. Kaplan and Norton (2000) recognizes three sources of business for learning and growth are: people, informational system, and organizational processes. Financial perspective, client, and internal business process often identify loop holes in organizational configuration, via prevailing aptitudes and potential capabilities to attain better-quality performance. These loopholes can be tacked from inventiveness employed by management - such as expending in capacity of workers, and IT (Chytas, 2011).

2.1.8 Performance and the Balanced Scorecard

Abernathy (2000) opine that the real workers cannot fathom the firm's stratagem and subsequently refuses to pay attention on the veracious items; does not identify his or her individualistic function in achieving the stratagem and consequence does what is needed, not what is desirable. In such a business ecosystem, firm sub-optimization is the consequence of sub-organizational optimization. Frigo and

Krumwiede (2000) suggest that the BSC can aid to remedying this circumstances because it involves firm to embark on several advantageous actions. These doings demarcate the main fortes of the BSC. Performance assessment integrating non-financial dimensionality has remained an issue of boundless concern all through the 1990s. This is because non-monetary dimensionality overawed the constraints of just employing financial performance measures. "Soft" components, like worker gratification and diligence, are coming to the fore as leading role of the firm performance dimensionalities, revolving changes compel management to accompany the conservative monetary method with softer data. Kaplan and Norton (1992) advocate that what is required is "a balanced exhibition of both monetary and functional methodology. For the moment, BSC turns a firm's mission and stratagem into an inclusive set of performance tools that offers the structure for a premeditated dimension and organization system (Kumari, 2011).

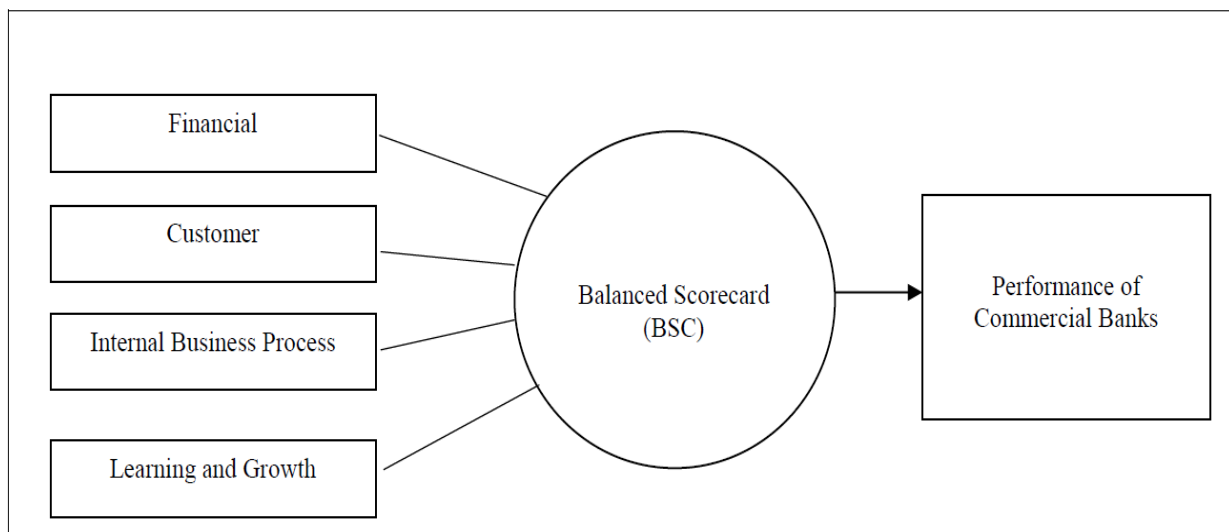


Figure 1: Proposed Research Model

2.3 Review of Previous Studies

Diverse works have been performed on Balance Scorecard by indigenous and foreign scholars. Kairu, Wafula, Okaka, Odera and Akerele (2013) establish the influence Balanced Scorecard (BSC) on performance of Kenyan service companies. Two hundred firms were selected employing random sampling technique. Structured questions were used to gather information from respondents. Non-parametric statistical technique was employed to analyze gotten from field. The

outcome of the research work reveals that BSC has positive effect on organizational performance.

Braam and Nijssen (2004) investigated the effect of Balanced Scorecard (BSC) on Dutch companies employing step-model regression for three years analysis to regress over company performance over the past three years and a subjective non-financial measure. The outcome of their work reveals that BSC positively influences organizational performance.

Kala and Bagr (2014) carried a research work to establish the effect of Balanced Scorecard of performance of Indian firms employing least square statistical technique. The outcome of research work reveal that BSC is directly proportionate to performance.

Wasatoin (2013) found out the effect of BSC components of Thailand firms on performance employing OLS statistical techniques. The outcome of his work reveals that BSC positively influences organizational firm.

Noor, Mseden and Mohammad (2015) examined the influence component Balanced Scorecard financial performance Jordanian industrial firms using OLS statistical technique. The outcome of the study shows that all balanced scorecards components positively influence financial performance.

Arben, Skender Arbana and Muhamet (2016) evaluated the influence of balanced scorecard on performance of Malaysian firms employing narrative analysis technique. The outcome of the research work reveals that balanced scorecard directly influences organizational performance.

Hoque and James (2000) investigated the association of balanced scorecard with organizational performance of Australian firms. The study employed a non-parametric statistical technique. The outcome of their research work shows positive BSC is positively associated with performance.

Malina and Selto (2001) examined huge divisions of a large industrialized corporation, with the objective of assessing the effectiveness of the model to interconnect strategic goals and as a device of control. The outcome of the research work revealed the model has available germane prospects for growth, and for communication of the business strategy. The outcome of their study also shows that BSC has a positive effect on performance.

Davis and Albright (2004) performed a research work to establish the extent to which to which the employment of the model BSC influence financial performance of American banks. Their study offers confidence to proposition that model can be employed to enhance financial performance subsequently the researchers' findings reveal that branches that have used the model have exceeded

those who have not on the common measurements.

Lasisi, Olajide, Hasan and Shodiya (2014) established the association of proficiencies of Nigerian firms with balanced scorecard. The outcome of the research work reveals organizational proficiencies has positive association with balanced scorecard in manufacturing outfit in Nigeria.

Akram and Tariq (2014) established the degree at which adoption of BSC by Palestinian firm influences performance employing non-parametric statistical technique. The outcome of the study revealed enhanced performance of Palestinian firms.

Ibrahim and Upendra (2016) investigated the effect of Balanced Scorecard (BSC) on the financial performance of Saudi Arabian firms using non-parametric statistics. The outcome of the research work revealed that the adoption of BSC ominously lead to upsurge revenue.

Ondieki (2017) performed a study in Kenya to ascertain the effect of balance scorecard on organizational performance employing a bivariate analysis and Pearson's product moment correlation. The outcome of the study reveals that BSC components have positive effect on performance.

METHODOLOGY

3.1 Sample and sampling Technique

This study use purposive sampling techniques to select 300 members of staff from selected banks in Abuja City. The researcher selected the branches based on nearness to her residence and based on the willingness of the bank staff to accept the questionnaire.

3.2 Method of Data Collection

Structured questionnaire was the main instrument used for data collection. The entire 300 copies questionnaire self-administered by the researcher were retrieved and fit for analysis, with a response rate of 100%.

3.3 Research Instrument

The questionnaire was constructed using customary procedures for questionnaire construction (Sekaran, 2003). The first section of the questionnaire capture the bio data information

of the respondents, whereas the second section captures questions to be responded to in Likert scale layout, which was employed to ascertain appropriate hypotheses (both the independent and dependent variables of the study). The research work used open ended questions with five alternative responses from strongly disagree to strongly agree with numerical value 1 – 5. The questionnaire survey followed all the required ethical considerations.

3.4 Validity and Reliability

The reliability of the questionnaire was constructed via a test and re-test technique with aid of expert, Cronbach alpha was piloted to establish the reliability and validity of the data. Co-efficient of the variables ranged from 0.786 to 0.885 showing suitable competence.

Copies of questionnaire were given to the respondent to fill the questionnaire themselves, the copies of questionnaire were hand-delivered to the respondents. After analyzing the data were presented in tabular form in accordance with the research questions. Content Validity was confirmed by giving it to an expert to review it. The questionnaire was also revised by the supervisors who are specialists on the subject. Face validity was confirmed via paralleling devices that were employed in researchers in extant literature.

Reliability has to with the aptitude of an apparatus to quantify dependably. It good to take e note of fact that the dependability of an tool is closely related with its validity. An apparatus cannot be valid unless it is reliable. However, the reliability of an instrument does not depend on its validity. It is possible to measure the dependability of an apparatus without bias.

Model

$$PROF = \beta_0 + \beta_1 LGP + \beta_2 CUSTP + \beta_3 BUSP + et \dots\dots\dots (1)$$

$$CSAT = \beta_0 + \beta_0 + \beta_1 LGP + \beta_2 CUSTP + \beta_3 BUSP + et_t \dots\dots\dots (2)$$

$$ESAT = \beta_0 + \beta_1 LGP + \beta_2 CUSTP + \beta_3 BUSP + et \dots\dots\dots (3)$$

$$SPER = \beta_0 + \beta_1 LGP + \beta_2 CUSTP + \beta_3 BUSP + et_t + \epsilon_{it} \dots\dots\dots (4)$$

$$GRTH = \beta_0 + \beta_0 + \beta_1 LGP + \beta_2 CUSTP + \beta_3 BUSP + \epsilon_{it} \dots\dots\dots (5)$$

- LGP = Learning and Growth Perspective
- CUSP = Customer perspective
- BUSP = Business process perspective
- et = Error Term

Reliability enhanced the dependability and exactitude of the apparatuses. Mugenda and Mugenda (1999) opine that reliability is a quantification of the extent to which a research apparatus produces unswerving outcomes or data after recurring trials. To confirm reliability of the data, the test re-test technique was employed. This involved giving the same questionnaire to 10 employees at an interval of one week and then paralleling the two scores. This is targeted at finding out if the outcomes were reliable.

3.5 Method of Data Analysis

The data gathered were coded and evaluated employing descriptive statistics. The qualitative data were converted to quantitative by assigning values ranging from 1-2 to respondents’ responses using SPSS. This study used regression analysis statistical technique to establish the association of the dependent variable and the explanatory variables. Before analyzing the statistical data, some preliminary statistical test such as descriptive statistics and correlation matrix were conducted. The data were coded using fried coding method. The coded data were analyzed by SPSS 23 software.

3.6 Model Specification

This study used a modified version of Adewole and Adebola (2010) and Ting-Toomey, Gao, Trubisky, Yang, Kim, Lin and Nishida (2015) models. The former used financial measurement to proxy organizational performance while the latter used non-financial measurement to proxy organizational performance. Due to the short coming of both measurements this study used an amalgamation of both financial and non-financial measurements. The general model is estimated in of the following linear form:

Consistent with prior studies, we shall test the robustness of our models by evaluating the sensitivity of the results to alternative measures

for corporate performance. Consequently, this study used weighted of (1),(2),(3),(4) and (5) the models are now specified as;

$$WOP = \beta_0 + \beta_1LGP + \beta_2CUSP + \beta_3BUSP + \dots + \epsilon \dots \dots \dots (6)$$

Where:

β_0 is the intercept, $\beta_1-\beta_n$ is coefficient, and U

3.7 Model Definition

Variable	Symbol		Indicator
Employee Satisfaction	ESAT	Dependent	Turn-over, Investments in employees development and training, Wages and rewards policies, Career plans, Organizational climate, General employees' satisfaction
Customer Satisfaction	CSAT	Dependent	Mix of products and services, Number of complaints, repurchase rate, New customer retention, general customers' satisfaction, number of new products/services launched
Social Performance	SPER	Dependent	Employment of minorities, Number of social and cultural projects, Number of lawsuits filed by employees, customers and regulatory agencies
Profitability	PROF	Dependent	Return on investment, Net income/Revenues, Economic Value.
Growth	GRTH	Dependent	Market-share growth, Asset growth, Net revenue growth, Net income growth, Number of employees growth

Source: Researcher's computation (2021)

4.1 Analysis of Bio-data

Figure 1 Sex Distribution of the respondents

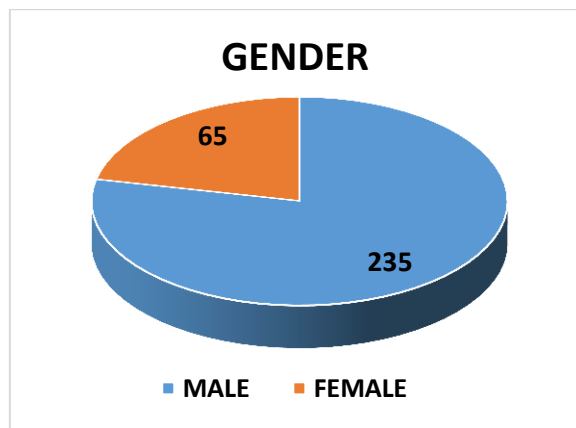
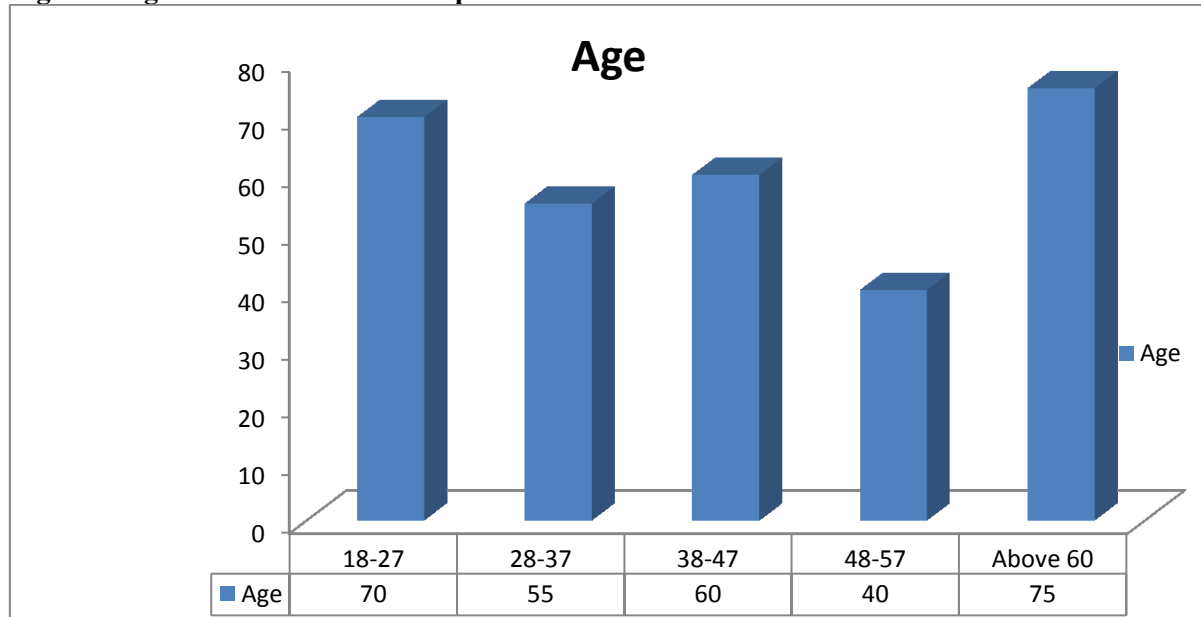


Figure 1 shows the evaluation of the answer extracted from the questionnaire given to respondents. Total of the three hundred respondents were used out of which sixty five (21.6%) are female while two hundred and thirty five which denotes 78.9% the sample size.

Source: Researchers survey, 2022 using SPSS 23.

Figure 2 Age Distribution of the respondents

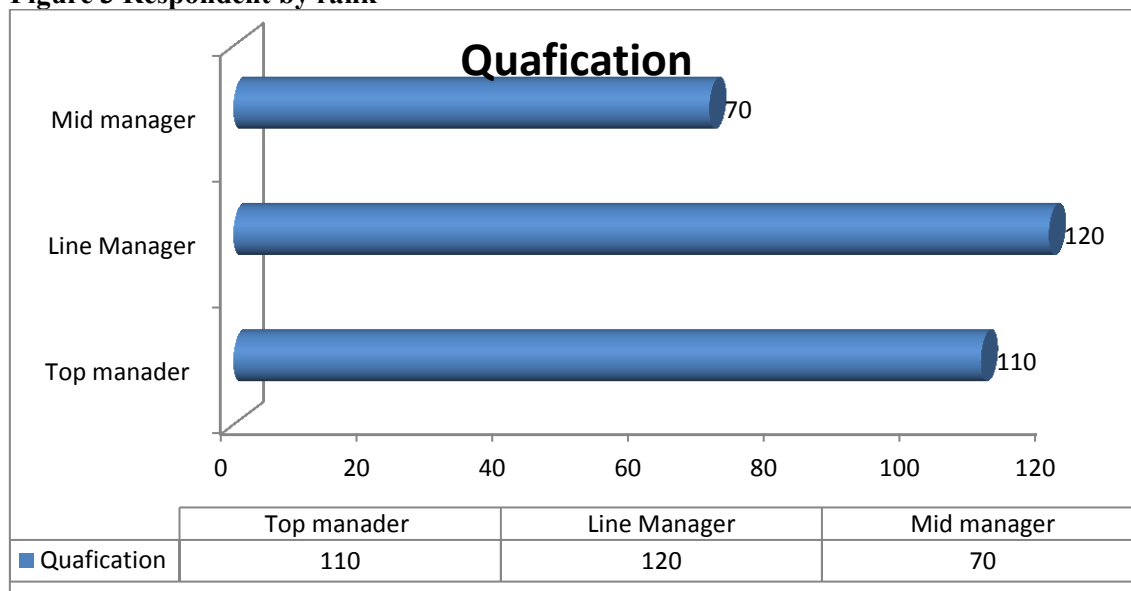


Source: Researchers survey, 2022 using SPSS 23.

Fig 2 reveals that of the three hundred respondents that were given questionnaire, seventy of them, which denotes 23.3% of entire sample are in the age bracket of 18-27 whereas fifty five of them which donate 18.3% of the entire sample size are in the age bracket of 28-37

years. Additionally, Fig 2 reveal that sixty of them are in age bracket of 38-47 which donate 20% of entire sample, forty of them which donate 13.4% of entire sample. Finally reveal that seventy five of them are above sixty years which donate 25% of entire sample.

Figure 3 Respondent by rank



Source: Researchers survey, 2022 using SPSS 23

Fig 3 reveals one hundred and ten of the respondents which donate 36.6% of entire sample, one hundred and two of them top manager which donate 40% of the entire sample

size. Finally fig 3 shows that sixty of the respondents are line managers which donate 23.4% of the sample sizes are middle managers.

Figure 4 Number of years working experience.



Source: Researchers survey, 2022 using SPSS 23.

Fig 4 reveals that one hundred of the respondent 100 which donate 33% of the entire sample size have working experience between 0-10yrs; ninety of them which donate 30% have working experience between 11-20 yrs. Furthermore, it was revealed fifty four of them which donate 18% have working experience of between 21-30yrs. Finally it was revealed that fifty-six of them

which donate 18.6% have working experience between 30yrs and above.

4.2 Results from Data Analyses

In this section, the summary statistics of the variables are displayed: The average scores of responses, standard deviation, the Cronbach alpha test for reliability and finally the normality test for the variables are explained.

Summary Statistics of Variables

	Mean	Standard deviation	Normality	Cronbach-Alpha
Learning and Growth Perspective			12.675	0.826
Considering the expectations and thoughts of the employee about the organization will reduce staff turnover.	3.1618	1.18167		
Continuous improvement organizational skills by management to meet environmental challenges confronting the competition give enhance customer satisfaction.	2.9727	1.15359		
Developing and reshaping of the skills of the Workforce will improve profitability.	3.2313	1.24222		
Monitoring Hiring process of a worker, will lead to high customers retention	3.1121	1.412		
Focusing on improving intellectual capital increases will leads to enhances growth in market of firm	3.346	1.342		
Customer perspective			11.675	0.867
Learning about the customer preferences and addressing them will enhance profitability.	2.3436	1.57426		
Exerting effort to win customers' loyalty will lead to growth in market share.	2.2673	1.1639		
Ability of the organization to provide quality products and or services effect customer repurchasing rate.	2.0564	1.10575		

	Mean	Standard deviation	Normality	Cronbach-Alpha
Lack of differentiating the target market will lead to low retention of customers	2.4231	1.2423		
The capacity of a business to secure qualitative goods and services for its clients enhances employees retention	2.3126	1.3253		
Business process perspective			13.321	0.895
Employing quality assurance as a management tool for services rendered by firm will increase profitability of the firm.	3.2691	1.12932		
Reporting on the efficiency of internal processes and procedures increase employee retention.	3.1171	1.7812		
Innovation, operation and post service processes will enhance customers 'royalty.	3.2619	1.8912		
Focusing on order processing will lead to high profitability	3.0964	1.15777		
Concentrating on delivery and product development will increase market share.	3.1727	1.30335		

Source: Researcher's compilation (2022) using SPSS 23

For balance scorecard there are three sub-items measuring the concept. The descriptive statistics in table 1 reveals that the average score responses for statement 1 is 3.1618 this infers that lots of the interviewees agreed to the statement that considering the expectations and thoughts of the employee about the organization will increase oorganisational performance. The standard deviation of 1.18167 suggest of the extent of dispersal of the total answers from the all response at an average. The result similarly demonstrate that the average response for statement 2 is 2.9727 this implies that a lot of the respondents sturdily agreed to the statement that continuous improvement organizational skills by management to meet environment challenges faced by the competition in order add value to service delivery. The standard deviation of 1.15359 reveals a cluster around the mean. The maximum and minimum values are 1 and 5 respectively. The mean scores to responses from respondents has a value of 3.2313 for statement 3, this infers that on the average respondents "agree" to response to the statement that developping and reshaping of the skills of the workforce will improve profitability

The standard deviation of 1.18167 is implies a clustering around the mean. The result also reveals that the mean response for statement 4 is 3.1121 this infers that great number of the respondents sturdily agreed to the statement that monitoring hiring process of a worker, will lead

to high customers retention enhances organisational performance. The standard deviation of 1.412 reveal that there a cluster around the mean.. The maximum and minimum values are 1 and 5 respectively. The average scores have value of 3.346 for statement 5, this reveals that on the average the respondents "agree" in their answers to the statement that focusing on improving intellectual capital increases will leads to enhances growth in market of firm The standard deviation of 1.342 implies that there a cluster around the mean.The cronbach alpha is 0.826 which is high and affirms the validity of the results and the normality value of 12.675 affirms that the data are normally distributed.

Table 1 reveals that the mean score for statement 6 is 2.3436 this implies that great number of the respondents agreed that Learning about the customer preferences and addressing them will enhance profitability. The standard deviation of 1.57426 infers a cluster around the mean. The mean response scores have value of 2.2673 for statement 7, this infers that on the average the respondents "agree" in their answer to the statement that exerting effort to win customers' loyalty will lead to growth in market share. The standard deviation 1.1639 infers that there is cluster around the mean. The mean response scores have value for statement 8 that ability of the organization to provide quality products and or services effect customer repurchasing rate, is

2.0564 which infers that on the average the respondents “agree” in their answer to the statement. The standard deviation 1.10575 nifer a cluster around the mean.

The mean response scores have value of 2.4231 for statement 9, which implies that on the average the respondents “agree” in their answers to the statement that lack of differentiating the target market will lead to low retention of customers. The standard deviation 1.2423 implies that is a cluster around the mean. The mean response scores have value for statement 10, is 2.3126 which implies that on the average the respondents “agree” in their answers to the statement that the capacity of a business to secure qualitative goods and services for its clients enhances employees retention .The standard deviation 1.3253 implies is a cluster around the mean. The cronbach alpha is 0.867 which is high and affirms the validity of the results and the normality value of 11.675 affirms that the data are normally distributed.

The descriptive statistics also divulges that the mean response for statement 11 is 3.2691 this divulge that large portion of the respondents agreed that employing quality assurance as a management tool for services rendered by firm will increase profitability of the firm. The standard deviation of 1.12932 implies there is a cluster around the mean.

The table 1 reveals that the mean response for statement 12 is 3.1171 this infers that large portion the respondents agreed reporting on the efficiency of internal processes and procedures increase employee retention. The standard deviation of 1.7812 implies that is a cluster around the mean.

The descriptive statistics also shows that the mean response for statement 13 is 3.2619 this reveal that great portion of the respondents agreed that innovation, operation and post service processes will enhance customers ‘royalty. The standard deviation of 1.8912 implies that is a clustering around the mean.

Table 1 divulges that the mean response for statement 14 is 3.0964 this infers that large portion most of the respondents agreed that focusing on order processing will lead to high profitability. The standard deviation of 1.15777 implies there is a cluster around the mean.

Table 1 shows that the mean response for statement 15 is 3.1727 this implies that large numbers of the respondents agreed that concentrating on delivery, and product development will increase firm’s market share. The standard deviation of 1.30335 implies that there cluster around the mean. The cronbach alpha is 0.895 which is high and confirms the validity of the results and the normality value of 13.321 confirms that the responses are normally distribute.

4.3 Commuality for the variables

Commuality (also called h2) is a description of conjoint alteration that ranges amid 0 and 1. Standards closer to 1 advocate that mined factors elucidate greater of the alteration of a specific item. Testing for communalities is vital in confirming that the items underneath each theory e.g. Q1-15 are measuring the same fundamental theory. Commuality is the degree at which an element correlates with all other items.

One way to describe commuality is in relations of the sum of aligned loadings on every principal constituent (McGarigal et al., 2013):

$$c_j = \sum_{i=1}^P s_{ij}^2$$

Where:

c_j = commuality of the jth variable

s_{ij} = loading (or correlation) between the ith component and the jth variable)

Higher commuality are better. If commuality after extraction for a particular item are low (between 0.00-0.04), then that item/variable will struggle to load significantly on any factor.

Table 3: Commuality.		
	Initial	Extraction
Growth and Learning Perspective		
1	1.000	.885
2	1.000	.357
3	1.000	.659
4	1.000	.4356
5	1.000	.532
Customer Perspective		
6	1.000	.759
7	1.000	.756
8	1.000	.597
8	1.000	.532
10	1.000	.523

Business Process Perspective		
11	1.000	.536
12	1.000	.530
13	1.000	.776
14	1.000	.342
15	1.000	.512

Source: Researcher's compilation (2022) using SPSS 23

Table 2 divulges average values after mining. Average communalities divulge that when the

factor investigated is steered on the variables, the fundamental dynamic will certainly elucidate the disparities in those variables. The standards infers that the percentage of each variable alteration that can be elucidated by the engaged factors. Variables with extraordinary packing are well epitomized in the mutual factor interplanetary while variables with small values are not well denoted. Thus the results divulge that all of the items should be retained in the dynamic space for every variable.

4.4 Regression Result

Regression Result

Dent	Variable = Aprori sign	Organizational performance	VIF
C		0.0002 (0.007) {0.872}	
LGP	+	1.403 (3.680) {0.000}	0.781*
CUSP	-	1.359 (0.400) {0.726}	0.4281*
BUSP	+	0.002 (3.002) {0.0016}	1.112
Model Summary			
R^2		0.923	
Adj R^2		0.857	
F-Stat		2460.791	
P(f-stat)		0.000	
D.W		2.000	

Source: Researchers compilation (2020)

() = t statistics , { } = p value

Table 4.3 is the regression result for the estimation of the model stated prior in the preceding chapter. The R^2 for model is actual remarkable at 0.923 this infers that the model elucidates about 92.3% of the systematic deviations in the dependent variable while the adjusted R^2 is 85.7%. The F-stat is 2460.7 (p-value = 0.00) is emblematic at 5% and infers that the hypothesis of a emblematic linear relationship between the dependent and explanatory variables cannot be rejected. It is also suggestive of the combined statistical significance of the model. The D. W statistics of 2.000 infers improbability existence of stochastic dependence in the model.

Concentrating on the performance of the coefficients, it was seen that the coefficient for LGP is positive {3.680} and statistically emblematic at 5% level (p=0.000) and this indicate that Learning and growth positively and influence organizational performance. The beta for Business process perspective has (BUSP is positive {3.002} and also statistically emblematic at 5% level (p= 0.0016) this indicate that competitive strategies negatively impact organizational performance. The variance inflation factor test for multicollinearity amongst the independent variables shows the nonexistence of multicollinearity as VIF values less than 10

suggest the absence of serious collinearity issues (Hair et al. 2006).

4.5 Discussion of Findings

4.5.1 Learning & Growth Perspective and Organizational Performance.

The outcome of this reveal that coefficient for the impact of learning and growth perspective on organizational performance is positive. This result is at variance with Lee (2008) which that reveals that learning and growth perspective negatively influence organization performance. This result is also at variance Yusuf-Habeeb and Kazeem (2017) which reveal that Learning and growth perspective has negative effect on organization performance. However, this outcome is line with *a priori* expectation which predicts that learning and growth perspective positively impact organizational performance. Consequently, we reject null hypotheses that learning and growth perspective has no significant impact on organizational performance.

4.5.2 Customer Perspective and Organizational Performance.

Research outcome shows that the coefficient for consumer perspective positively influences organizational performance at 5% level. This result is in line with Sorenson (2009) that revealed that Customer perspective has positive impact on organization performance. This is also in in line Longel (2015) which show that customer perspective has positive impact on organizational performance. However, this result is line with *a priori* expectation which predicts that customer perspective will positively impact organizational performance. Consequently, we reject the null hypothesis of that customer perspective has no significant impact on organizational performance.

4.5.3 Business Process Perspective and Organizational Performance.

The result shows that business process perspective has no significant impact on organizational performance. This result is at variance Lee (2008) which shows that business process perspective has positive impact on organizational performance. This result is also in line Longel (2015) investigate the impact of business process perspective on organizational performance and his result shows business process perspective has positive impact on organizational performance. However, this result

is at variance with *a priori* expectation which predicts that business process perspective will positively impact organizational performance. Consequently, we do not reject the null hypothesis that business process perspective.

4.6 Recommendations

Recommendation for Policy Makers

No business can thrive well without good strategic plan. This study is aimed at ascertaining the balance scorecard on organizational performance in the Nigerian Deposit Money Bank in Nigeria. From the findings of this study the following recommendations were made. First, recommended that management should focus on employee training and enhancement in order increase performance. Second, the study recommends that management should focus on customer satisfaction to enhance performance.

References

- Adebite, E.A. & Ojo, T.O. (2011). Management of organizational conflicts in Nigeria polytechnics: An empirical study of the Federal Polytechnic, Ede Osun State. *International Journal of Asian Social Science*, 2(3), 229-243.
- Adewole, O.A. & Adebola, O.G. (2010). Collective bargaining as a strategy to industrial conflict management in Nigeria. *Journal for Research in National Development* 8(1), 326-339
- Adomi, E., & Anie, S. (2005). Conflict management in Nigerian university libraries. *Journal of Library Management*, 27(8), 520-530.
- Algert, N. & Watson, K. (2002). *Conflict management: Introductions for individuals and organizations*. TX: Bryan. Angaye.
- Akaniji, T. (2005). *Perspective on workplace conflict management and new approaches for the twenty-first Century*. In Albert, I.O. (Ed) *Perspectives on Peace and Conflict In African Essays in Honour of General (Dr.) Abdusalami A. Abubakar*, Ibadan: John Arches Publisher
- Anyakie, U. D (2018) Conflict management and organization effectiveness of micro-finance banks in Port Harcourt, River State. *International Journal of Advanced Academic*

- Research Social & Management Sciences*, 4(4), 2488-9849
- Aula, P., & Siira, K. (2010). Organizational communication and conflict management systems. *Nordicom Review* 31(1), 125-141.
- Azamosa, O (2004). Industrial Conflict in Nigerian Universities. The case of the academic staff union of the university teachers' strike of December 2002-July 2003. Dept. of Sociology Anthropology and Applied social sciences, British University. Retrieved from <http://ww.ajbms.com/articlepdf010506pdf>
- Barki, H., & Harwick, J (2001). Interpersonal conflict and its management in information system development, *MIS Quarterly*, 25(15) 195-228.
- Barney, J (2001). Firms Resources and sustained competitive advantage. *Journal of Management*, 17(1)78-140 .
- Boyd,B.K., Gove,S.,Hitt, M.A.(2005). Construct measurement in strategic management research: Illusion or reality? *Strategic Management Journal*, 23(3)34-47
- Bulter,E.A., Egloff,B., Whelm,F.H.,Smith,N.C., Erickson,E.A. & Gross,J.J.(2003).The social consequences of expressive suppression suppressive .*Emotion* , 3(1)48-67
- Cameron, K. (2012). Measuring organizational effectiveness in institutions of higher education. *Administrative Science Quarterly*, 23(3), 604-632.
- Chau, K.W (2007).Insight into resolving construction disputes by mediation/adjudication in Hong Kong, *Journal of Professional Issues in Engineering Education and Practice*, 143-147. Retrieved www.sciencedirect.com.
- Chuang, Y., Church, R. & Zikic, J. (2010). Organizational culture, group diversity and intra-group conflict, *Team Performance Management*, 10(1/2), 26-34
- Cobb, S & Rifkin, J. (2005). Practice and paradox: Deconstructing neutrality in mediation. *Journal of law and social inquiry*, 16, 1, pp.35-65. Retrieved from http://gerszon.com/Cobb_Rifkin%20Practice%20Paradox.pdf
- Combo H, M. (2014). Examining conflicts in industrial relations and collective bargaining context and its impact on workers and organizational performance. *Academy of Contemporary Research Journal*, 3(1), 14-25.
- Crook, T.,R. Ketchen, D.J., Jr.,Comb,J. G & Todd, S.J. (2008)Strategic resources and performance : a meta-analysis. *Strategic management. Journal*
- Donohue, W. A, & Kolt, R. (1992). *Managing interpersonal conflict*. London: Sage Publications, Inc.
- Ehie, C.I.(2010).The impact of conflict on manufacturing decisions and company performance. *International Journal of Production Economics*, 126(2)145-157
- Ekankumo, B. & Konye, I.F.(2014). Managing industrial disputes in the Nigerian teaching hospitals: An empirical analysis. *European Journal of Business and Management*, 6(19), 152-162
- Esquivel, A. (1997). Psychological safety and learning behavior in work teams. *Administrative Science Quarterly*, 44(2), 350-383.
- Etim, ,N.V, & Okey, S.M (2013). Conflict management in the Nigerian University system. *Journal of Educational and Social Research*,, 3(8)17-27 .
- Fatile,J &Adejuwon, K.D.(2014). Project practices and public sector: The Nigerian experience. *Journal of Policy and Development*, 137-145
- Fleetwood, K.L (1987). *The conflict management styles & strategies of educational managers*, PhD thesis, University of Delaware.
- Glick, W.H., Washburn,N.T., & Miller, C.C (2005)/The myth of firm performance. Proceeding of the Annual Meeting of American Academy of Management. Honolulu, Hawaii
- Gordon, J. (2003). Pfeiffer's classic activities for managing conflict at work. San Guest, D and Conway, N (1999), How dissatisfied and insecure are British Workers? A survey of surveys, London: Institute of People Management.
- Hansen, T. (2008). Critical conflict resolution and practice. *Conflict resolution quarterly*,25,4,

- pp.403-427.
Retrieved www.interscience.wiley.com.ezproxy.auckland.ac.nz/cgi-bin
- Havenga, W.(2006) Relationship between gender /age-status difference and conflict management styles in a small business. Unpublished paper at Rencontre de St Gall conference , Switzerland.
- Hotepo, O.M. et al. (2010). Empirical study of the effect of conflict on organizational performance in Nigeria. *Business and Economics Journal*, 2(4),15, 1-9. *International Journal of Conflict Management*, 19(1)72-87. Johnson D.W. and Johnson F.P. (1994) *Joining Together: Group Theory and Group Skills*,(5th ed).
- Ikeda, A., Veludo, O. & Campomar, M. (2005). Organizational conflicts perceived by marketing executive. *Electronic Journal of Business and Organizational studies*, 10(1), 22-28.
- Jaffee, D. (2001). *Organization theory, tension and change*. New York. McGaw-Hill.
- Javier, G.(2002). The performance effects of unintended and purposive multimarket contact .*Managerial and Decision Economics*,23(4-5)209-224
- Johnsen, R.D.A& Greening ,D.W.(2009). The effects of corporate governance and institutional ownership types on corporate social performance. *Academy of Management Journal*, 42(5)564-576
- Kilmann, R. H., & Thomas, E. J. (2005). Interpersonal conflict-handling behavior as a reflection of Jungian personality dimensions. *Psychological Reports*, 37(5), 971-980.
- Lee, V.B. (2008). *Conflict, health and well-being*. Taylor & Francis Group Associate,2(3)12-45
- Leung, Yu Fai (2009). *Conflict management and emotional intelligence*. Unpublished thesis for degree of Doctor of Business Administration, Southern Cross University, Lismore
- Longel, O. (2015) Impact of workplace conflict management on organizational performance: A case of Nigerian manufacturing firm. *Journal of Management and Strategy* 6(4)2-23
- Kinicki, A & Kreitner, R. (2008). *Project management handbook*. San Francisco Lyons fall Turin Books.
- Malik,M.E., Gbafoor,H.K &Naser,S.(2011). Organizational effectiveness: A case study of telecommunication and banking sector of Pakistan.Far east Journal of Psychology and Business, 2(2)37-48
- Martin, J. N., & Nakayama, T. K. (2007). *Intercultural communication in contexts*. New York: McGraw-Hill.
- McShane, S. L., & Glinow, M. A. (2008). *Organizational behaviour*: New York: McGraw-Hill Companies.
- Mugal, M., & Khan, M. (2013). Impact of conflict and conflict management on organizational performance. *International Journal of Modern Business – Issues on Global Market*, 1(3), 1-19.
- Muigua, K.(2016). Managing Natural resources conflicts in Kenya through negotiations and mediation .Retrieved from www.sciencedirect
- Nnabuiife, E.(2009). Organization behaviour and management Theory . Rex-Charles and Patrick Limited, Book Smith House. Harmony Place Nimo Anambra Srate
- Obasan (2011). A impact of conflict management on corporate productivity: An evaluative study. *Australian Journal of Business and Management Research*, 1(5), 44-49.
- Osad, O., & Osas, V. (2013). Harmonious industrial relations as a panacea for ailing enterprises in Nigeria. *Journal of Asian Scientific Research*, 3(3), 229-246.
- Osisoma, H.E. Osisoma, B.C. & Chukwuemeka, E. E.O. (2012). Developing a conflict management model for the Nigerian executive. *Singaporean Journal of Business Economics, and Management Studies*, 1 (1), 1-19.
- Pickard, T. (2012). Workplace that work. hrcomal.ca/hr-toolkit/workplace-conflict
- Pondy, L.R.(2015). Reflection on organization. *Journal of organizational behavior*, 13(2)257-261

- Rahim, M. A., Magner, N. R., & Shapiro, D. L. (2000). Do justice perceptions influence styles of handling conflict with supervisors? What justice perceptions precisely, *International Journal of Conflict Management*, 11(1), 9-31. 16.
- Rahim, A. M (2001). *Managing conflict in organization*. third edition. from <http://www.jstor.org.ezproxy.auckland.ac.nz/table/1394126>.
- Richard P.J., Devinney T.M., Yip G.S., & Johnson G. (2009). Measuring organizational performance: Toward methodological best practice. *Journal of Management*, 35 (3) 20-31.
- Rumelt, R.P., Schendel, D. E., & Teece, D.J. (1994). *Fundamental issues in strategy*. Boston: Harvard Business School Press
- Saduna K.(2012). An investigation of conflict resolution in educational organizations. *African Journal of Business Management*, 4 (1), 096-102
- Schramm-Nielsen, J. (2002).