REFINING ORGANIZATIONAL PERFORMANCE IN DEPOSIT MONEY BANKS USING KNOWLEDGE GAP ANALYSIS

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ABSTRACT

This study examined the correlation between knowledge gap analysis and the performance of deposit money banks in Rivers State, Nigeria. The dependent variable was assessed using measurements of customer loyalty and quality decision-making. The research population consisted of twenty-four deposit money banks that were operating in Rivers State, Nigeria. The study involved the selection of four managerial staff members from each of the banks under investigation, resulting in a total sample size of ninety-six responses. The data were obtained from the participants through the use of a well-designed questionnaire. The hypotheses were tested using Pearson's product moment correlation, utilizing the statistical software SPSS version 23.0. The results of the analysis demonstrated statistically significant and positive associations between our predictor variable, knowledge gap analysis, and the measurements of the criterion variable, organizational performance in deposit money institutions located in Rivers State, Nigeria. Based on the empirical evidence, the study reached the conclusion that there exists a statistically significant positive association between knowledge gap analysis and the organizational performance of deposit money institutions in Rivers State. The study additionally recommended that managers within the banking industry, along with other relevant stakeholders, should regularly assess the effects and significance of their knowledge resources. This research indicates a crucial role in enhancing organizational performance through knowledge gap analysis.

Keywords: Refining, Organizational Performance, Customer Loyalty and Quality Decision Making

INTRODUCTION

The majority of organizations functioning in the contemporary dynamic business landscape possess a clear conceptualization of their desired organizational trajectory. However, the task of determining the appropriate starting point and approach might pose significant challenges. The utilization of knowledge gap analysis is employed to provide the organization with a distinct and focused trajectory. Gap analysis is a valuable strategic analysis technique that provides administrators with a comprehensive framework to assess the current state of the organization and determine its desired future state, as well as the feasibility of achieving that state. Through this process, organizations will have the capacity to ascertain not only the existing corporate knowledge within their entity but also identify additional information that is desired and devise strategies to effectively acquire and apply this knowledge in order to enhance outcomes. A gap analysis entails examining the existing state in relation to the desired future state. The process entails performing pertinent analysis to assess the internal performance of business processes in order to determine whether the goals or objectives are being achieved. If they are not, a set of actions is devised to address the observed gap. The technique in question is widely used as a crucial component in the study of various organizations. It is of significant importance to note that the majority of enterprises typically delegate the responsibility of completing a gap analysis template to their project managers or business analysts (Tom, 2021).

A gap analysis involves the examination of an organization’s present performance in relation to its desired and expected performance. This study aids an organization in determining whether it is meeting expectations in terms of efficiently utilizing resources. Knowledge, as a crucial resource, is examined by the organization to understand its impact on achieving established objectives. A gap analysis is a process that enables an organization to assess its current condition and identify the necessary steps to achieve its ideal state. The management and administrators of the organization engage in the process of defining and analyzing these gaps. Subsequently, they formulate an effective plan of action to address the identified performance gaps (Kenton, 2020). The utilization of a gap analysis serves as a proficient method to clearly articulate the problem statement by employing objectives, metrics or performance indicators, benchmarks, and identified discrepancies. The gap analysis conducted in this research aims to identify, document, and enhance the disparity in knowledge between the business requirements and the existing capabilities.

LITERATURE REVIEW

The concept of knowledge as a valuable resource inside organizations is extensively examined and consistently enhanced to maximize its effectiveness in facilitating task performance (Alaska, 2012). A systematic collection of methodologies employed to investigate and define the disparity between the present performance and the envisioned future objectives of the organization. Gap analysis entails the evaluation of existing performance in comparison to anticipated or intended performance, encompassing the present state and the envisioned future state of the organization (Villarruel, 2022). When organizations engage in a knowledge gap analysis, they are able to conduct a thorough examination of their existing organizational knowledge and other knowledge assets in comparison to the desired knowledge. This process guarantees that they are able to maintain optimal performance and successfully achieve their established objectives. According to Hayes (2021), gap analysis is a business management approach utilized by managers and administrators in organizations to evaluate the disparity between the optimal outcome of a business activity and the actual outcome. The report provides suggestions for how the organization might effectively address the identified deficiencies. Gap analysis is a method used to determine the specific measures that an organization can employ in order to accomplish predetermined objectives.

The application of gap analysis has been observed across various disciplines. Knowledge gap analysis is a deliberate evaluation of an organization’s knowledge repository in order to acquire pertinent insights for enhanced performance. However, it is important to note that the presence of some gaps can serve as signs of failures in attaining organizational legitimacy. The gaps observed in the organization’s performance highlight discrepancies between its actual behaviour and the expectations of many stakeholders, including markets, customers, and the general public. The determination of organizational legitimacy is sometimes contingent upon the assessment of customers or societal perspectives regarding the environmental and social responsibility exhibited by the organization in its performance or practices (Sora & Yingru, 2018). The gap analysis method, proposed by Clark and Estes (2009), has been identified by academics and scholars as a very practical approach among other process models aimed at aiding organizations in enhancing their performance. The gap analysis method is a valuable tool for clearly articulating an organization’s problem statement, goals, performance standards, performance gaps, and potential remedies. It effectively addresses the underlying causes of performance gaps through the integration of unifying aspects and concepts.

Organizational Performance

The topic of organizational performance has been a significant concern for organizations across various sectors, regardless of their profit orientation. As a result, it has become increasingly crucial for administrators to possess a comprehensive grasp of the various aspects that impact organizational performance. This knowledge enables them to effectively anticipate and address potential challenges by implementing appropriate measures and undertaking necessary actions. Defining and evaluating success has proven to be a challenging topic in the field of organizational studies. Performance is a subject of ongoing concern among researchers, with several scholars offering distinct approaches and definitions (Barney, 2017). Significantly, performance is correlated with the extent to which an employee is capable of fulfilling their duties, which is of utmost importance in achieving the predetermined objectives of the organization (Obara & Dumo, 2020). In this study, the researchers define performance as the achievement of organizational objectives through the utilization of knowledge gap analysis.

According to Imolua and Zeb Obipi (2021), it is recommended that the assessment of organizational performance adopt a broader perspective, incorporating various indicators such as effectiveness, efficiency, economy, quality, consistency behaviour, and normative measurements. According to Nwinyokpugi (2019), organizations that possess effective leadership and a conducive culture see enhanced outcomes. The significance of leadership in an organization lies in its ability to guide and motivate the organization towards its objectives. Organizations should also prioritize the adoption of enterprise resource planning (ERP) due to its substantial impact on business performance (Bestman & Otabor, 2021). The incorporation of knowledge management is proposed as a crucial component in achieving organizational performance success. The responsibility for achieving performance within an organization lies with its leadership, which is tasked with creating and executing a range of strategic initiatives aimed at attaining the organization’s goals and objectives (Abubakar, 2017).

Various potential outcomes, including but not limited to an increase in sales, enhanced efficiency, improved productivity, a higher return on investment, and greater quality, serve as indicators of organizational effectiveness. However, there are certain underlying factors that can significantly influence performance, including customer satisfaction and the knowledge and skills of management and employees. These factors may be attributed to the processes of knowledge generation, accumulation, and dissemination inside the organization. The current socio-economic changes necessitate organizations to possess a comprehensive comprehension of how their commercial operations utilize information and, furthermore, determine how they generate new knowledge to enhance performance (Venkatraman & Ramaujam, 2016)

Customer Loyalty

The notion of customer loyalty serves as a significant metric for evaluating an organization or business based on the perceptions and behaviours of its customers. According to Havíř (2017), when customers consistently experience positive interactions with an organization compared to its competitors in the same industry, the organization or business is able to cultivate client loyalty. Customer loyalty is commonly understood as a cognitive and behavioural inclination to give preference to a particular organization or brand over others. This inclination can be attributed to various factors, such as satisfaction with the product or service, its accessibility or quality, or the customer's familiarity and comfort with the organization’s offerings (Har-Yusuph, Damilola, & Fredilia, 2022).

Customers routinely make judgements over which organization to purchase from, considering the availability of alternative businesses operating within the same industry. The customer's decision is influenced by various elements. When a customer develops loyalty towards an organization's services, they consistently choose the organization's product or service over alternatives, even when comparable options are available. Contemporary organizations have implemented a variety of strategies to augment consumer loyalty within their enterprises. Several strategies can be employed to enhance customer engagement and retention, such as implementing membership programmes, loyalty programmes, offering discounts, and providing reward opportunities, among others. With the utilization of organizational repositories, such as customer databases, banks have been able to effectively acquire consumer data and develop personalized strategies for engaging and incentivizing consumers to consistently pick their services over those of their competitors (Har-Yusuph, Damilola, & Fredilia, 2022).

As organizations often interact with their client base through various programmes and enhanced services, there is an increased likelihood that customers will perceive themselves as being acknowledged and appreciated. This phenomenon occurs when organizations provide high-quality service and consistently enhance their performance, resulting in clients directing their attention towards these organizations instead of exploring alternative options (Woolnough-Rai, 2020a).

Quality Decision Making

Quality decision-making involves the process of carefully evaluating multiple different courses of action in order to determine the most optimal choice that will lead to enhanced outcomes. The capacity of an administrator or management to make decisions on behalf of their respective organizations and select the optimal course of action to accomplish the established target or resolve the problem at hand. The use of organised choice guidelines is necessary in order to maintain focus and adherence to established protocols. These guidelines, collectively known as decision-making methods, have been discussed by James and Edwin (2017).

According to Obara and Wogboroma (2022), the effectiveness of administrators is enhanced when they engage in the process of making high-quality decisions, which in turn leads to improved results within the organization. Efficient and prompt decision-making significantly enhances the operational effectiveness of an organization. In organizational settings, it is imperative for administrators or decision-makers to refrain from solely assuming the responsibility of decision-making. In order to effectively cultivate the decision-making skills of his team, it is essential for the leader to facilitate decisions that align with the corporate strategy and vision of the organization while also obtaining the support and agreement of superiors, team members, or subordinates for the ultimate decisions made within the organization (James & Godwin, 2017).

Decision making strategies

The process of decision-making involves the identification and selection of several potential courses of action that are appropriate for the needs of the organizational context (Hammond, 2006, as referenced in James & Edwin, 2017). Making a decision involves a commitment to take action. Every decision carries inherent risks. This entails the allocation of an organization's current resources towards an unpredictable future. Experienced managers and administrators engage in the investigation and analysis of impediments to successful decision-making with the aim of implementing appropriate methods to address and overcome these challenges. The attainment of optimal outcomes in decision-making necessitates the use of meticulous and well-designed techniques (Ammeh, 2013).

In the context of corporate organizations, administrators and managers often face uncertainty when making crucial decisions or considering strategic initiatives. The allocation of significant resources, including human resources (individuals) and financial resources (capital), is typically taken into account. Uncertainty and ambiguity provide persistent threats that give rise to hazards for both the organization and its stakeholders. The process of navigating through a multitude of choices can be paralyzing, particularly when the problems at hand are intricate and the potential consequences are significant. The implementation of decision methods leads to enhanced clarity in situations characterized by confusion. Several strategies can be employed by administrators or managers to facilitate effective decision-making. These strategies encompass decision-making approaches for resolving complex and well-structured problems, as well as the utilization of bargaining, incremental, brainstorming, nominal grouping, and creative thinking strategies. Additionally, the management of emotions and outbursts is recognized as a crucial aspect of decision-making. The implementation of these identified strategies is aimed at enhancing organizational performance (James & Edwin, 2017).

Theoretical Foundation

Job Characteristics theory

The concept of job characteristics encompasses various aspects of a job, including employee attitudes and behaviours inside the workplace (Hackman & Oldham, 1976). According to Hackman and Oldham, it is argued that occupations characterized by a higher degree of obstacles have the potential to facilitate the enhancement of individuals' job-related abilities and attitudes. The establishment of a connection between job qualities and organizational performance was seen. According to Edgar (2006), job features have a significant impact on employees' attitudes, which subsequently affects work outcomes and ultimately job performance. The development of the job characteristics theory aimed to restructure job roles in order to effectively manage pertinent knowledge and enhance performance.

This theory holds substantial implications for the present study, as it empowers managers and administrators within the study organizations to effectively exert influence that facilitates the collective utilization of accumulated knowledge, experience, skills, and lessons learned. This, in turn, contributes to enhanced organizational outcomes. As a result, the employee will possess knowledge of this particular role as an integral component of their employment. As a consequence of this phenomenon, employees experience a sense of recognition, engagement, and satisfaction in carrying out diverse responsibilities. Additionally, the retention of pertinent expertise and other knowledge resources serves as the foundational elements for the ongoing enhancement of both team dynamics and individual employee performance, ultimately culminating in overall organizational effectiveness.

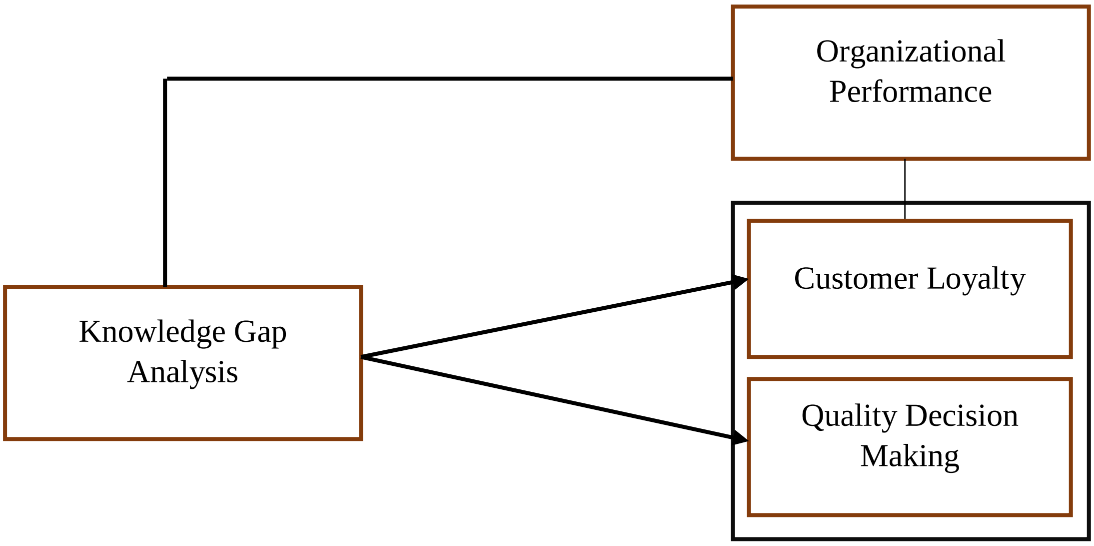

Fig. 1: Framework of Knowledge gap analysis and organizational performance in Deposit money banks in Rivers State, Nigeria.

Source: Researchers Desk (2023)

EMPERICAL REVIEW

Adam et al. (2022) have examined the impact of knowledge gap analysis on the growth of the entrepreneurial sector in Malaysia. A comprehensive dataset of 350 observations was gathered from individuals who serve as owners or founders of internet enterprises. The results of their study indicated that doing a knowledge gap analysis has a beneficial impact on the advancement of entrepreneurial endeavours, thereby influencing the overall performance of an organization.

The empirical evidence presented in this discussion may be attributed to the research conducted by Mathias Mujinga in (2019). The study's main objective was to evaluate the level of service that South African retail banks offered in electronic form. To assess this, Mujinga employed the E-QUAL assessment scale, which is based on customers' perceptions and expectations. The collected data was then examined using gap analysis techniques. This study examines the retail banking sector in South Africa, specifically focusing on six banks. Its objective is to assess the extent to which these banks provide high-quality services to their customers in the country. The research findings indicate that gap analysis has a notable impact on the retail banking sector in South Africa by providing valuable insights that enhance performance.

METHODOLOGY

The research utilized a quasi-experimental design and employed the cross-sectional survey approach to investigate a specific aspect of the topic. The research population consists of the 24 deposit money banks that are currently operational in Rivers State. Nevertheless, an investigation was conducted into the senior officials. Therefore, the study employed a census approach and distributed four (4) sets of questionnaires to each bank, resulting in a total of ninety-six (96) senior officers who participated in the research. The respondents in this study are categorised into four distinct groups: branch managers, marketing managers, customer service managers, and business managers from various banks. The reliability of the structured questionnaires was assessed using the test-re-test method. A pilot administration of the questionnaires was conducted on a subset of the selected sample, and the questionnaires were administered again after a two-month interval. The reliability test utilized in our study was based on the Cronbach's alpha coefficient, which was set at a value of 0.7. In the initial stage of the study analysis, this research utilized univariate descriptive statistical methods, including measures such as mean, standard deviation, frequency table, simple percentages, bar charts, and histograms, to present the collected data. At the subsequent stage of analysis, bivariate inferential statistics was employed, specifically the Person's Product Moment Correlation, to examine the hypothesized statements.

Decision rule
Reject Ho if PV< 0.05
Accept Ho if PV > 0.05

Table 1: Showing Strength and Direction of Relationship between Variables

Range of values	Degree of relationship
$\pm 0.00 - \pm 0.19$	Very weak
$\pm 0.20 - \pm 0.39$	Weak
$\pm 0.40 - \pm 0.59$	Moderate
$\pm 0.60 - \pm 0.79$	Strong
$\pm 0.80 - \pm 1.00$	Very strong

Source: Researchers Desk (2023)

Test of Hypotheses
Ho1: There is a lack of substantial correlation between knowledge gap analysis and client loyalty within the deposit-money banking sector in Rivers State.

Table 2: Relationship between Knowledge gap analysis and Customer loyalty

		Knowledge gap analysis	Customer loyalty
Knowledge gap analysis	Pearson Correlation	1	.582**
	Sig. (2-tailed)		.000
	N	76	76
Customer loyalty	Pearson Correlation	.582**	1
	Sig. (2-tailed)	.000	
	N	76	76

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Researchers Desk (2023)

From the SPSS result in Table 2, it can be seen that there is a somewhat favourable association between knowledge gap analysis and customer loyalty, with a correlation coefficient of 0.582** between the two. Furthermore, it can be shown that the probability value (0.000) is lower than the crucial threshold (0.05), indicating a statistically meaningful association between knowledge gap analysis and customer loyalty at a modest level. This further suggests that the utilization of knowledge gap analysis might be employed as a strategy to enhance client loyalty within deposit-money banks operating in Rivers State. Based on the findings of this study, we can reject the null hypothesis, which suggests that there is no significant relationship between knowledge gap analysis and customer loyalty of deposit-money banks in Rivers State. Instead, we accept the alternate hypothesis, which proposes that there exists a moderately significant relationship between knowledge gap analysis and customer loyalty among deposit-money banks in Rivers State.

Ho2: There is a lack of substantial correlation between knowledge gap analysis and the efficacy of decision-making in deposit-money institutions located in Rivers State.

Table 3: Relationship between Knowledge gap analysis and quality decision-making

		Knowledge gap analysis	Quality decision-making
Knowledge gap analysis	Pearson Correlation	1	.778**
	Sig. (2-tailed)		.000
	N	76	76
Quality decision-making	Pearson Correlation	.778**	1
	Sig. (2-tailed)	.000	
	N	76	76

Source: Researchers Desk (2023)

The SPSS result in Table 3 reveals a correlation coefficient of 0.778** between knowledge gap analysis and quality decision-making. This coefficient suggests a robust and favourable association between knowledge gap analysis and quality decision-making. Furthermore, the obtained probability value (0.000) is lower than the predetermined critical value (0.05), indicating a robust and statistically significant association between knowledge gap analysis and the quality of decision-making. This statement suggests that the utilization of knowledge gap analysis might effectively facilitate the attainment of high-quality decision-making within deposit-money institutions operating in Rivers State. Based on the findings of this study, we can conclude that the null hypothesis, which states that there is no significant relationship between knowledge gap analysis and quality decision-making at deposit-money banks in Rivers State, is rejected. In contrast, the alternate hypothesis, which suggests a strong and significant relationship between knowledge gap analysis and quality decision-making at deposit-money banks in Rivers State, is accepted.

DISCUSSION OF FINDINGS

The first and second hypotheses demonstrated that there exists a moderate and strong positive correlation between knowledge gap analysis and the various measures of organizational performance, specifically customer loyalty and quality decision-making. The statistical analysis reveals significant results, with a correlation coefficient of $r = 0.582$ and $p = 0.000$ 0.05 for customer loyalty and a correlation coefficient of $r = 0.778$ and $p = 0.000$ 0.05 for quality decision-making. These findings, at a 95% confidence interval, lead to the rejection of the null hypotheses (H01) and (H02). Therefore, it can be concluded that there is indeed a significant relationship between knowledge gap analysis and customer loyalty, as well as quality decision-making, within the selected sample of money deposit banks in Rivers State. Conversely, the alternate hypothesis is accepted, indicating a moderate and significant relationship between knowledge gap analysis and customer loyalty, as well as quality decision-making, among deposit-money banks in Rivers State.

The results of this study support the research by Adam et al. (2022), which looked at the effects of knowledge gap analysis on entrepreneurial development in Malaysia. A comprehensive dataset consisting of 350 observations was compiled from individuals who serve as owners or founders of internet enterprises. The results of their study demonstrated that doing a knowledge gap analysis had a favourable impact on the advancement of entrepreneurship, therefore influencing the organizational outcomes and performance of the organizations under investigation.

CONCLUSION

Based on the empirical evidence, the study reached the conclusion that there exists a statistically significant positive association between knowledge gap analysis and the organizational performance of deposit money institutions in Rivers State.

RECOMMENDATION

The recommendations presented in this study are derived from the empirical data and subsequent conclusions. Consequently, the following proposal is hereby proposed.

That the current situation necessitates managers in the chosen banks to regularly assess the effects and significance of their knowledge resources on organizational performance. This research indicates that they have not adequately investigated the connection between these variables within their banks.

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