Market Orientation Of Financial Operations In The Ghanaian Banking Sector Performance

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Abstract

Market Orientation is a set of beliefs that places customers' interests first, but at the same time raises the consciousness of the need to obtain information about competitors and create cross- departmental activities to satisfy customers' needs, in order to gain a competitive edge in the tempestuous, competitive environment. Although some judicious amount of studies on the above topic have been assumed within the newly developed and developing economies, there has been little effort at addressing the Ghanaian banking industry experience and its related problems. The study employed the survey design and quantitative method to investigate the problem. To examine the above schemes, a convenience sampling method was engaged and data acquired through a survey method. The study proffered a recommendation to banks operating in the industry to continually and

consistently improve upon their performance strategies and ensure their effective and efficient implementation. Further, the study recommended to banks operating in the country to take market orientation seriously as bedrock of banking sector performance in the country if they want to stay in business.

Key Words: Market Orientation, Financial Institutions, Sub- Saharan Africa, Organizational Performance

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Prof Dr Rohaizat was an exchange scholar and guest lecturer to a plethora of both international and local institutes and universities. He has taught various graduate and undergraduate courses and supervised both master and PhD research students. He actively participates in various international conferences and won a few best paper awards. He also organised and facilitated in industrial management training and development and became an editor for a few international journals. He also became a visiting professor for local and international universities.

1. Introduction

The Ghanaian banking sector has focused on performing a remarkable change because of penetrating competition with foreign banks during the last couple of years. There has been an invasion of new entrants both local and international into the sector. To uphold rationality in the sector, banking institutions must act decisively as there is the need to design their procedures, manage and deliver higher value to their customers. How these banks acquire, cultivate, uphold and retain their customers both inside the banking firms and externally remains a significant question, which needs to be answered. It is anticipated that only 30% of Ghanaians deposit their monies in banks, so what then happens to the other 70%. An application must be made to reverse the worsening trends in the levels of savings as over 75% of total currency is said to be saved in the homes of indigenes (Coffee, Blankson, & Dadzie, 2018). A perilous study of the above reveals that, for the formal banking sector to become sustainable, both the needs of bank employees and their customers must be well analyzed and understood to permit the best methods to be designed and applied to satisfy the bank customers.

Recently, the Ghanaian banking industry has been facing a new wind of change owing to deregulation of the banking system by the nation's central bank also referred to as Bank of Ghana through eradicating the three-tiered structure of commercial, development and merchant banks into a universal banking license that allows banks to function in all sectors of the economy. This resulted to proliferation of foreign banks from neighboring countries from the

West African sub-region especially those from Nigeria. The influx of these banks brought about fierce competition in the industry, with banks not only competing among each other but also with non-banks and other financial institutions inputting close to similar products and services like that of the commercial banks. Consequently, researchers, for example, (Mahmoud Abdulai

Mahmoud, Blankson, Owusu-Frimpong, Nwankwo, & Trang, 2016) showed that, most bank item enhancements are anything but difficult to duplicate and that when banks give almost vague administrations, they can just separate themselves dependent on cost and quality. Thusly, customer maintenance techniques are possibly compelling tools that banks can use to upsurge a key bit of margin and make due in the present consistently increasing banking focused condition. A prior insight made on the financial business in Ghana shows that leading part of the Ghanaian banks seems, by all accounts, to be desirable by non-household managers, and is not improved concerning the items and administrations they offer

This nevertheless suggests the Ghanaian banking industry has arrived at the development period of the item expansion and has enthused towards becoming commoditized, since banks offer about unlimited services. This changes the threat of making a progeny winding of never- ending cost restrictive - battling for client share (Cohen et al., 2007). In a manner of speaking, (Migliori, Pittino, Consorti, & Lucianetti, 2017) are of the view that as market competition reinforces with decreasing client commitment, firms explore approaches to build customer upkeep and thus, the main key focus that banks can characterize to stay focused in the business is exploit customer maintenance procedures to grasp whatever number customers as could be allowed (Henneberg, Scammell, & Shaughnessy, 2009).

2. Literature Review

Market orientation is not a new awareness in the marketing and management literature. Scholars contended that, the statement by (Roersen, Kraaijenbrink, & Groen, 2013) that the customer must be the emphasis of firm's processes and the subsequent support given to this idea by (Gunarathne, 2015) that the customer is the reason for the organization's existence were all pointing to the fact that market orientation performance was necessary at that time. This idea was extended to become known as the marketing concept (Kohli, Jaworski, Kumar, & Kohli, 2010) Following these developments, the subject market orientation has received a great deal of attention from marketing scholars who have developed, verified and advanced market orientation balances for measuring the degree of market orientation that firms exhibit (Hinson & Mahmoud, 2011); (Mohammed Abdulai Mahmoud, 2011) and (Abdallah, 2016) researchers have found resemblance between market orientation and business performance

(Papadopoulos & Blankson, 2018), there seems to be nebulousness as far as the indebtedness as well as the implementation of the market orientation construct by financial institutions is concerned (Mohammed Abdulai Mahmoud, 2011). The position that market orientation assumed by financial institutions may have been maintained by (Papadopoulos & Blankson, 2018) who resisted that whereas traditional marketing concept is considered as a thoughtful planned procedure which proceeds from a careful documentation of market needs by prescribed research , and through focussed development of new contributions to the market place, the small business debate involves informal, unintended activity that relies on the instinct and energy of the manager to make things happen.

Moreover, following (Papadopoulos & Blankson, 2018), it appears that when likened to other functions of their business, financial institution owners have a problem with marketing; they appear to give marketing a low priority, often regarding marketing as “something that larger marketing organizations do”. (Ogbari, Ibidunni, Ogunnaike, Olokundun, & Amaihian, 2018) concurs that financial institutions are more unwilling than larger firms to embrace the

marketing concept in their strategy preparations. Apparently, most financial institutions do not conduct market research, and do not have long-term market planning (Keskin, 2016). Supporting the previous, (Haleblian et al., 2009) in his study of businesses in the UK declares that in reality the dimension of market orientation may not be applicable in the some business sectors. The writer noted that numerous key factors hinder the ability of financial institutions in focusing on tendencies and needs, or market orientation. These include: indistinct view of the customer, obligation with the status quo, unawareness of market orientation, absence of competitive differentiation, inadequate resources, apparent unsuitability and temporary focused. Also according to (Hinson & Mahmoud, 2011), small firms embark upon marketing in such a universal and unsuitable way that it does not seem to have any significant influence on performance.

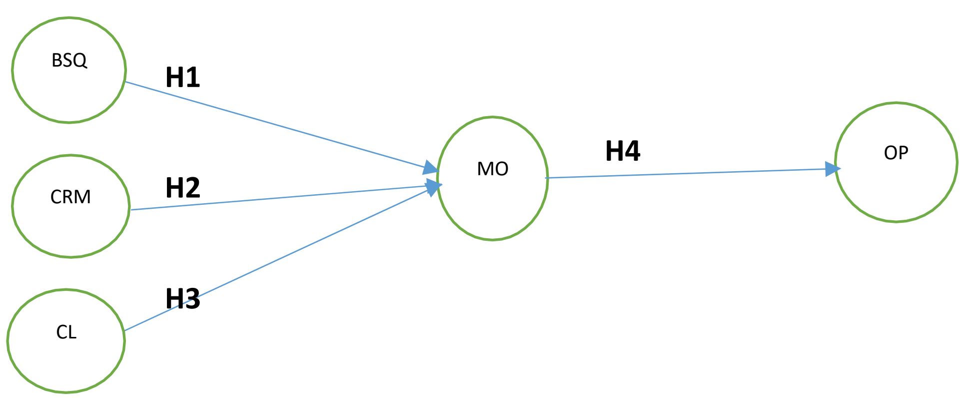
Though the preceding may hold factual for financial institutions at large, following explanations and recent developments in the Ghanaian financial sector, coupled with deliberations with academics with expertise in financial institutions and practitioners (owners/managers), it can be declared that in view of the current government provision and anxiety for financial institutions (Salifu, Tofik-Abu, Rahman, & Sualihu, 2018), further research is needed to highlight the gratitude of marketing and it achieves within the financial sector. Again, even though there are enough indication that marketing is central to the reality and development of financial institutions (Papadopoulos & Blankson, 2018), the fact that market orientation concept was developed mainly from studies of large firms makes it appropriate to scrutinise the appropriateness of the concept to financial institutions. A research in this instruction may reveal relevant issues regarding marketing practices that should be of interest to policy makers, entrepreneurs and researchers interested in the financial sector. It must be noted here that (Yaprak, Tasoluk, & Kocas, 2015) has observed that marketing and entrepreneurship largely control the fate of entrepreneurs and financial institutions around the world.

As noted by (Narteh, 2018), a great deal of research exists on service quality in the banking sector. In the banking industry as in other service industries, conveying higher quality service augments customer consummation leading to customer permanence (Samuel & Bedman, 2014). Because of the significance of service quality in banking as a course to competitive advantage and corporate success, it has become problematic to categorise a solitary bank that has not introduced some kind of service quality improvement (Denis, Ferlie, & Gestel, 2015)). Numerous instruments have been developed for measuring perceptions of service quality in the banking sector (Denis et al., 2015). Despite the fact that some scholars used SERVQUAL to test service quality in banks, (Samuel & Bedman, 2014), other researchers also used six dimensions of Bank Service Quality propounded by Bahia and (Narteh, 2018)to measure service quality in the bank (Narteh, 2018). In comparing BSQ with SERVQUAL, (Narteh, 2018) argued that, the main advantage of Bank Service Quality over SERVQUAL for measuring service quality in banks re-count to its content validity. For instance, the services portfolio dimension and the price dimension of Bank Service Quality were inattentive from SERVQUAL. It is for this purpose that the dimensions in the Bank Service Quality and SERVQUAL are pooled to assess bank service quality as a strategy in the banking sector in the present study.

The study propose that, for banks to successfully retain their customers' there should be continuous and consistent improvement in their Bank Service Quality strategy. Bank Service Quality as a strategic tool for retaining banking customers in this current study, include an assembly of individual strategies predictable in the existing literature reviewed. In view of this,

The study implemented four dimensions from the SERVQUAL model advocated by (Morgan, Anokhin, Kretinin, & Frishammar, 2015); an additional dimension from (Ogbari et al., 2018) and three dimensions from (Narteh, 2018). The factors of SERVQUAL in this study comprises of tangibility, reliability, responsiveness, empathy, assurance and effectiveness, service portfolio, price and convenience.

Figure 1. A Hypothesized framework of BSQ, CRM, CL and MO on OP



Researcher's own conceptualization (2019)

2.1. Bank Service Quality (BSQ) as a Strategy/determinant for Financial Operations

As suggested by (Samuel & Bedman, 2014), a sizeable number of research exists on service quality in the banking sector. In the banking industry as in other service industries, providing advanced quality service improves customer gratification leading to successful Financial Operations (Hanafizadeh, Keating, & Khedmatgozar, 2014), lower customer defection and upsurge customer loyalty provides chances for cross-selling, advance word-of-mouth reference, and improve corporate image (Samuel & Bedman, 2014). By way of the importance of service quality in banking as a way to competitive advantage and corporate profitability, it has been difficulties to recognize a single bank that has not originated some kind of service quality enhancement (Narteh, 2018)

Numerous instruments have been established for measuring insights of service quality in the banking sector (Samuel & Bedman, 2014). Notwithstanding the fact that some scholars used SERVQUAL to test service quality in banks, (Samuel & Bedman, 2014), other scholars also used six dimensions of Bank Service Quality (BSQ) submitted by (Narteh, 2018) to extent service quality in the bank (Narteh, 2018). In likening BSQ with SERVQUAL (Morgan et al., 2015) contended that the main benefit of BSQ over SERVQUAL for measuring service quality in banks re-count to its content validity. For instance, the services collection dimension and the price dimension of BSQ were inattentive from SERVQUAL. It is for this motive that the dimensions in the BSQ and SERVQUAL are combined to assess bank service quality as a strategy in the banking sector in successful Financial Operations.

This research proposes that, for banks to efficaciously recollect their customers' there should be unremitting and consistent development in their BSQ strategy. BSQ as a strategic instrument for holding banking customers in this present study, encompass a collection of individual strategies recognised in the existing literature. In view of this, the study assumed four dimensions from the SERVQUAL model advocated by (Morgan et al., 2015); an extra dimension from (Ogbari et al., 2018) and three dimensions from (Al, 2015). BSQ model for measuring excellence as a strategy for bank service quality in this paper. The dimensions or factors comprises of tangibility, reliability, responsiveness, empathy, assurance and

Effectiveness, service portfolio, price and convenience affect market orientation. In line with this, this researcher hypothesize that:

H1. Bank service quality has a positive impact on market orientation

2.2. Customer Relationship Management as a strategy/determinant for successful Financial Operation

CRM has developed as an approach based on building and maintaining positive relationships with customers, increasing customer loyalty, and expanding customer lifetime value (Samuel & Bedman, 2014). Literature referred to CRM as a comprehensive strategy and process of acquiring, retaining and collaborating with selective customers to create and maintain long- term partnerships and also as a means for achieving superior value and financial performance for the company and the customer (Samuel & Bedman, 2014). (Mokhtaruddin, Wel, & Khalid, 2018) indicate that CRM activities involve management of customer complaints, establishment of long-term relationships with customers through social bonds and instilling proper customer service in an organization. In addition, (Samuel & Bedman, 2014) also suggested that CRM can be achieved in a firm through information sharing and customer involvement. This researcher therefore conceptualizes that a successful implementation of these factors as a strategy can lead to market orientation.

H2. There is a positive relationship between customer relationship management and market orientation.

2.3. Customer Loyalty as a Strategy/Determinant for a successful Financial Operation (M. A. Rahman, Qi, & Islam, 2016) reported that in many instances customers are loyal to several service providers while spurning others, and in such situations, the marketing goal of a firm becomes one of strengthening customer's preference for one provider over others, and well-designed loyalty programmers can aid in achieving this. (Samuel & Bedman, 2014) argued that loyalty rewards can induce feelings of intelligence and pride about having achieved or won something without having to pay the normal price, as well as a sense of appreciation among customers who relate rewards to being a preferred or special customer. Indeed, the common thread among loyalty rewards is the provision of intangible benefits to customers as a reward for their repeated purchases of a company's product(s)/services. (William, Appiah, & Botchway, 2016) classified loyalty rewards into three main categories, namely; financial rewards (incentives given to customers that have a financial value), non-financial rewards (provide customers with benefits or value that cannot be translated directly into monetary terms), recognition and appreciation (intangible in nature and are in the form of extra attention given to customers' needs). There have been findings that showed positive effects of loyalty rewards on customer retention (Samuel & Bedman, 2014). In view of this, the study postulates that:

The competitive banking industry is very much affected with the complete disregard of market orientation processes (Boadi, 2016). Empirically, (Cohen et al., 2007) (M. S. Rahman, Khan, & Haque, 2012) were of the view that a key component a successful financial operation in the banking industry is customer loyalty. However, (Al, 2015) posits that, for customers to be loyal, the employees should develop strong interpersonal relationships with them. (Najafi-Tavani, Sharifi, & Najafi-Tavani, 2016); (Samuel & Bedman, 2014) among others have tested and confirmed positive effects of customer loyalty on market orientation. Therefore, there is the need for Ghanaian banks to create customer loyalty strategies by implementing market-oriented approaches to work. The authors therefore hypothesize that:

H3. Customer Loyalty has a positive relationship with Market Orientation

2.4. Market Orientation as a prerequisite for Bank/Organizational performance

The direct causality assumption of market orientation on organizational performance is examined with (Molander, Fellesson, & Friman, 2018); Kohli. Jaworski, Kumor (1993) market orientation framework. Thus, using banking industry as a case study, the researcher wants to test market orientation-corporate performance relationship.

H4: Market Orientation and Banking Sector Performance are positively correlated

2.5. Theoretical Foundation

A market-oriented organization is one, which effectively relates the marketing concept (Sampaio, Hernández-Mogollón, & Rodrigues, 2018). According to ("University of Dundee Investigating the influence of performance measurement on learning, entrepreneurial orientation and performance in turbulent markets Taheri, Babak; Bitici, Umit; Gannon, Martin J.; Cordina, Renzo," 2019), the marketing concept embraces that the key to organizational achievement is through the purpose and satisfaction of the needs, wants and aspirations of target markets. They suggested that these must be tracked more effectively and efficiently than that of competitors and with the purpose of realizing profitability and/or satisfying objectives.

According to the strategic marketing literature, market orientation comprises the use of larger organizational skills in understanding and sustaining customers (Agyapong, 2015). In essence, market orientation is resulting from the application of marketing concept, it necessitates organizations to monitor speedily changing customer needs, and wants, determine the influence of these changes on customer satisfaction, upsurge the degree of product innovation, and implement strategies that build the organizations' competitive advantages.

There has been improved interest in the market orientation construct in the past decades. Following this development, several efforts have been made by scholars to appreciate its make- up resulting in the operationalization of its meaning as a construct (Coffie et al., 2018). Most definitions developed were derived from the conceptualization of both Kohli and Jaworski (1990) or Narver and Slater (1990). Kohli and Jaworski (1990) associated the three principal elements of market orientation as a philosophy to the insight of marketing practitioners and experiential that market orientation has three components: the organization-wide generalization of market intelligence pertaining to current and future customer needs; dissemination of the intelligence across departments; and organization-wide responsiveness to this intelligence. According to the writers, this is based on customers' opinion and it comprises the consideration of exogenous market issues that affect customer needs and performance; and current and future needs of customers ((Verhees & Meulenberg, 2004)). In the same method, Narver and Slater (1990) assumed that market orientation has three components namely: customer orientation, which includes understanding target customers and effectively positioning the skills and resources of the organization to satisfy customer by generating superior value; competitor orientation, which has to do with creating greater value through understanding the key competitors' short-term strength and weaknesses and long-term capabilities and strategies; and inter-functional coordination, which contains getting all business functions working together to provide higher value (Narver & Slater, 1990; Slater & Narver, 1994).

Since market orientation is viewed as part of organizational culture (Narver & Slater, 1990) or processes (Kohli & Jaworski, 1990), it may be enabled or hindered by internal factors (Jaworski & Kohli, 1993; Harris, 2000; Harris &Ogbonna, 2001). For this latter avowal, Kohli and Jaworski (1990) in their conceptual study anticipated three categories of organizational factors (top management, interdepartmental dynamics and organization wide systems) that regulate the level of market orientation in any organization. The perilous role of management in nurturing a market orientation has performed in several studies (Webster, 1988; Kohli & Jaworski, 1990). These researches observed management as highly significant on customer attention, inter-functional coordination and intelligence responsiveness. For example, Kohli and Jaworski (1990, p. 7) suggest that “the commitment of top managers is a vital precondition to a market orientation”.

Therefore, Harris and (Bright C. Opara; Dumo Nkesi Opara, 2016) declared that management behaviour is the crucial obstacle to developing a market-oriented culture in an organization. (Mohammed Abdulai Mahmoud, 2011) was of the view that, a market orientation, while better suited to the customer’, generates impediments in terms of structure. (Verhees & Meulenberg, 2004) examined organizational procedure as a barrier to market orientation and counselled that the degree to which an organization can upsurge its market orientation is indissolubly related to the organizational structures, systems and procedures produced to withstand them. Shortly, definite physiognomies of organizational structure such as low solemnisation and limited centralization expedite the development of market orientation and vice versa ((Kuada & Buatsi, 2005)). Related to this, (Paper & Delhi, 2018) contended that the key to developing a market-driven, customer oriented business lies in how managers are assessed and satisfied.

Several researchers have shown that the implementation of market orientation is largely affected by interdepartmental connectedness and conflict ((Kuada & Buatsi, 2005) Interdepartmental connectedness promotes inter-functional coordination leading to more recurrent communication which is probable to allow the propagation of collected market intelligence and simplify an appropriate market focused account. Again, interdepartmental conflict constrains communication through the departments of an organization, minimising inter-functional performance, and therefore constraining opportune response to market needs, which are the essentials of the market orientation processes. Indeed, market orientation has long been associated with advanced result in terms of business profitability ((Narver & Slater, 2012) as well as achievements in the market place ((Kohli et al., 2010)).

Further researches have exhibited that market oriented organizations are likely to experience better levels of employee satisfaction, esprit de corps and organizational commitment (Ruekert, 1992; (Kuada & Buatsi, 2005)). However, there is recognition in relevant literature that organizations may not earn the full benefits of market orientation in the occurrence of external factors such as decreasing competition, market stability, and turbulent technological environments (Verhees & Meulenberg, 2004). The main drive of studies into the effect of external factors on the market orientation-performance relationship is that while external factors enhance market uncertainties, the generation of, and response to, market intelligence are basics to face market uncertainties. In this respect, researches have shown that under circumstances of high market uncertainties, outlaying resources for market-oriented activities is valuable; but, under circumstances of stable market, technological and competitive environments, disbursing resources for market-oriented activities would be unnecessary (Mahmoud Abdulai Mahmoud et al., 2016).

It seems that, most researches concentrating on market orientation were directed to the developed countries using data on large organizations. But the potential of banks, facing many challenges, to battle the implementation of the marketing concept were noted in the review. Knowing that, it is unclear whether these market orientation frameworks developed basically through studies of large organizations from developed countries (Hinson & Mahmoud, 2011) are (Rafiq M & Ahmed P., 2000) indeed applicable to banks, particularly those from developing countries, the model of the relationship between market orientation and its experiences and consequences needs investigation in the banking sector. More specifically, a research in this order in Ghana is limited despite the increasing importance of banks in the Ghanaian economy. Building on this argument, this paper tests the applicability and the heftiness of the market orientation model among Ghanaian banks following an adaptation of the (Verhees & Meulenberg, 2004) and (Kohli et al., 2010) frameworks.

3. Methodology

The population for the study was the list of banking institutions in Ghana, published by the Bank of Ghana (Ghana's Central Bank). It involves a variety of banks including commercial, development, and merchant. In line with (Alhassan & Asare, 2016), the unit of analysis is the bank branches – referred to as strategic business units (SBUs), within the Greater Accra Region. The sample for this study included bank customers of universal banks within the region. This portion of the country was selected for the study sample because all registered banks functioning in the country have majority of their bank branches and their headquarters situated there. Furthermore, bank customers in this region also have access to all kinds of banking channels and consequently can be reflected as a well representative of the target population for evaluating strategies that affect bank customers in Ghana.

3.1 Data Source and Sample Size

A total of 250 questionnaires were distributed out of which ten were discarding due to unfinished responses. The final sample size was then 240 yielding ninety six percent (96%) response rate. To examine the above schemes, a convenience sampling method was engaged. Data were acquired through a survey method. Questionnaire were administered in 20 banks with over 30 branches in the Greater Accra Region. These people were beleaguered because of their involvement in the industry and information of their banks' marketing practices and innovation activities, further, the use of SBUs as the unit of analysis is popular in market orientation research (see, Narver and Slater, 1990). The questionnaire employed in this paper were pre-tested among selected bank customers. This was to confirm that there was no ambiguity in the survey instrument. As a consequence of the pre-test, some minor changes were made in the final questionnaire (Jaakkola, Frösén, Tikkanen, Luoma, & Aspara, 2016). Independent sample t-tests for differences between means of the key variables were conducted to check for non-response bias. The test exhibited nonresponse bias since all t-tests designated an absence of substantial variances between the constructs' means. The questionnaires used for the current study were self-developed using existing literature. The various constructs were rated in a five point likert scale ranging from 5 for strongly agree, to 1 strongly disagree

3.2 Measures

A number of studies on market orientation either adopted MKTOR ((Narver & Slater, 2012)) or MARKOR Kohli et al., 1993 measurement scale or both. This scales also include a fourth aspect, namely, organizational culture. (Mahmoud Abdulai Mahmoud et al., 2016) argues that marketing culture is an informal complement of formal managerial magnitudes of market orientation and should therefore be encompassed in any conceptualization of market orientation. Consequently, 26 items dispersed across intelligence generation, intelligence dissemination, responsiveness, and marketing culture were used to measure market orientation with the assistance of a five point Likert scale reaching from as earlier stated. The measurement scale was adopted from (Roersen et al., 2013) projected four component indicators of market orientation: therefore, commitment to learning, which refers to the degree to which an organization values a learning culture; collective vision, denoting to an organization-wide

focus on learning, open-mindedness, which transmits to preparedness to disparagingly evaluate the organization's functioning routine and getting of new ideas; and intra- organizational knowledge allotment, which includes shared beliefs or interactive routines related to the blow-out of learning among dissimilar units within the organization.

3.3 Data Analysis Techniques

The three regression equations below were estimated to test the hypotheses

Equation 4.1: $\boldsymbol{\beta_0 + \beta_1 BSQ_i + \beta_2 CRM_i + \beta_3 CL_i + \beta_4 MO_i + \mu_i = OP_i}$ Where;

$OP_i = the\ dependent\ variable$, i.e. Organizational Performance

$BSQ_i = Bank\ Service\ Quality$

$CRM_i = Customer\ Relationship\ Management$

$SB_i = Customer\ Loyalty$

$LR_i = Market\ Orientation$

$\beta_0 = Intercept\ term$

$\beta_1, \ldots, \beta_4 = represents\ the\ coefficients\ to\ be\ estimated\ and \mu_i = is\ the\ error\ term$

4. Results

4.1 Demographic Characteristics of Respondents

Demographic responses are means of gathering what one may call 'personal information' from respondents in a field study. Similarly, in this study, data were collected on a number of demographic variables. These included; gender, age, education, occupation, income, and duration of relationship with bank. These results have been summarized in the following table. It can be observed from the table that the percentage of male respondents outweigh their female counterparts as male accounted for (60 percent) of the total sample and the female group make the rest of the sample (40 percent). With respect to age, majority of the bank customers fall within the 28-37 age bracket (50.42 percent) while (26.67 percent) are within the ages of 18-

27. The rest are between 38-47, 48-57, 58-67, and 68 and above representing, 11.25 percent,

6.25 percent, 5.00 percent, and 0.42 percent respectively.

Majority of the respondents (73.33 percent) reported having completed tertiary institutions with the remaining sample holding professional certificates (14.17 percent), JHS/SHS (9.17 percent) and postgraduate (3.33 percent). In terms of occupation, a vast majority of the customers were employed representing (42.50) percent of the total sample followed by students who accounted for (34.17) percent, self-employed (20 percent), and lastly followed by the unemployed (3.33 percent).

In gathering the demographic data from the bank customers, information on their monthly income was also sought. The results as indicated show that quite a sizeable number of them earn between Gh¢ 501-1,000 and Gh¢ 1,001-1,500 representing (32.08) percent and (22.92 percent) respectively. Those who earn between 1,501 and 2,500 represent (22.50 percent), and Over 2,500 and less than 500 represent 17.08 and 5.02 respectively. Information on how long the customers have stayed with their bank was also gathered. As noted in the table below, majority of the customers have been with their banks between 3-4 years representing (28.33 percent) and those who have been with their banks between 5-6 years (17.50 percent). The rest are 1-2 years and 7-8 years representing (14.58 percent) each, 11 and above (23.33 percent), and 9-10 years representing (11.67 percent). Considering the overall demographic characteristics of the respondents, it is largely a true reflection of the larger Ghanaian population and hence, fit for the purposes of this study.

Table 1: Demographics of Respondents

	Frequency	Percentage (%)
Gender		
Male	144	60.00
Female	96	40.00
Age		
18-27	64	26.67
28-37	121	50.42
38-47	27	11.25
48-57	15	6.25
58-67	12	5.00
68 and above	1	0.42
Education		
JHS/SHS	22	9.17
Professional	34	14.17
Tertiary	176	73.33
Post Graduate	8	3.33
Occupation		
Unemployed	8	3.33
Self-employed	48	20.00

Employed	102	42.50
Student	82	34.17
Income (Gh¢)		
Less than 500	13	5.42
501-1,000	77	32.08
1,001-1,500	55	22.92
1,501-2,500	54	22.50
Over 2,500	41	17.08
Duration of Relationship (year)		
1-2	35	14.58
3-4	68	28.33
5-6	42	17.50
7-8	35	14.58
9-10	28	11.67
11 and above	32	13.33

Source: *Field study (2019)*

4.2. Assessing Normality of Regression Variables (Summated scale)

This section of the analysis looks at the normality of the constructs for the regression using the skewness and kurtosis test. As indicated below, all the constructs (BSQ, CRM, CL, MO, OP) met the assumptions per the skewness and kurtosis criteria of (±1) and (±3) respectively maling it fit for the purpose by which it was used (Groza & Groza, 2018))

Table 2: Skewness and Kurtosis Test for Normality

Constructs	Skewness	Kurtosis
BSQ	-.415	-.109
CRM	-.361	-.181
CL	-.098	-.204
MO	.235	-.715
OP	-.155	-.679

Source: *Field study (2019)*

4.3. Assessing Variables for Presence of Multicollinearity

Multicollinearity is the condition in which two or more independent variables in a multiple regression correlate highly against each other, thus, tend to explain each other. It is another analytical test in multivariate regression such as the one used in this study (OLS). For any meaningful and unbiased estimation, this test will lead to another multivariate assumption of no or least presence of multicollinearity. One of the traditional ways of detecting such a problem is through the use of correlation matrix as shown below and also through the Variance Inflation Factor (VIF) test. From the correlation matrix however, there seem to be no difficulty since the maximum correlation degree is 0.63. Apart from examining the correlation matrix for noticing multicollinearity, an additional test was conducted based on the VIF. This demonstrates by ‘how much’ the individual variables expand the variance of the regression. The level considered by this study is in consistence with Neter et al., (1989) who recommends a determined acceptance level of 10, which equals a tolerant level of 0.1, nevertheless, scholars replicate several acceptance levels of multicollinearity. Based on our test results below, all the constructs have a VIF of less than 10. Hence, we can say that our model is not confronted with the problem of multicollinearity and as a result, meets the multivariate assumption of no/or negligible multicollinearity amongst independent variables in a regression model. So our variables are not extremely inter-correlated therefore, our results will be permitted from the problems connected with multicollinearity such as incorrect signs of coefficients and inflation of the variance.

Table 3: Assessment for Multicollinearity

Variable	**VIF**	**1/VIF**
BSQ	1.66	0.601817
CRM	1.50	0.666410
CL	1.33	0.750715
MO	1.06	0.942215
Mean VIF	1.39	

Source: *Field study (2019)*

4.4. Tests for Presence of Heteroskedasticity

Another fundamental assumption of the OLS regression is the assumption of constant variance across the entire independent variables being perceived. To check for this assumption, the Breusch-pagan test was conducted. The null hypothesis of continuous variance was tested. This resulted in a chi-square value of 1.79 and significance value of 0.18. We subsequently accept the null hypothesis of constant variance at the 0.10 significance level and accomplish that our model is homoskedastic connoting that the errors (variance) across all our observations are constant.

From the table, it is understandable that all the independent variables except MO are statistically significant in elucidating bank performance at the 0.01 significance level. i.e. p- values < 0.01specifically, the BSQ, CRM, and CL variables are all positively related to OP. Nonetheless, the MO variable is inconsequential even at the 0.10 (i.e. p-value > 0.10) significance level. The constant also proved significant at the 0.05 significance level.

The meaning of this result is that, a unit upsurge in BSQ will lead to a 0.58 increase in OP. To CRM, a unit increase will result in a 0.05 increment in bank performance. Considering CL, we can infer that a unit increase will positively affect bank performance by 0.25.

Judging from the model, it is considerable to look at the joint significance of all the independent variables through the F-statistic. The consequences produced an F-value of 114.07 and a probability value of 0.000. Thus, by testing the null hypothesis that "the predictor variables are jointly insignificant in explaining OP", we reject the null and say that all the independent variables together explain OP therefore by way of accepting the alternate hypothesis.

By evaluating the appropriateness of our model, we used the R2 value. This articulates more about the level of discrepancy that occurs in the dependent variable (OP) as explained by the independent variables (BSQ, CRM, CL,) and the mediating variable (MO). Consequently, from our R2 value of 0.53, it can be interpreted that 53 percent of the variation in OP is being explained by BSQ, CRM, CL, and MO. Thus, 53 percent of the attributes of CR is explained by the predictor variables meaning that 47 percent of the remaining attributes are uncounted for and may be due to other variables not included in the model. Nonetheless, the 0.53 rate can be said to be high enough for the fit of the model. The adjusted R2 is an extension of the R2 just that it takes into consideration all the independent variables for degree of freedom. From the results so far, the adjusted R2 value is 0.53, which is approximately the same as the R2.

Based on the variables that significantly contribute to organizational performance (OP), our final OP model can be written as follows:

$$\boldsymbol{OP = 0.25 + 0.58BSQ + 0.05CRM + 0.25CL}$$

4.5. Model Diagnostic Test for Omission of Key Variables

Whereas it is typically problematic to comprise all predictor variables in any regression analysis, it is judicious and essential to factor into the model, key variables that are considered relevant to the fundamental question as informed by theory or from the study's own conceptualization. To decide whether any significant variable to OP was inappropriate in our model, which eventually will pose a considerate error treat, the study engaged the Ramsey-test. The HO: model has no significant omitted variables. The test result from the following table showed an F-value of 46.78 and a probability value of 0.18. By this outcome, we fail to reject the null hypothesis that the model has not omitted any important variables and conclude that the model is adequate and no specification error has been committed.

Table 4: Ramsey-Test for Specification Error

F-statistic	**p-value**
46.78	0.178

Source: *Field study (2019)*

4.6. Summary of the data

Variables that constituted various constructs used in the study were examined for their central tendency using mean statistics, standard deviation. Skewness and kurtosis to study normality of the data. Further, multiple regression analysis was used to estimate the relationship between the various antecedents (BSQ, CRM, CL, MO and OP). It is observed that the sample is consistent with the literature's definition of Ghanaian banking sector performance. According to (Gyimah, Eric, & Nkrumah, 2012), Ghanaian banks contribute immensely to the development of the Ghanaian economy thereby warranting serious attention. Market orientation is an important banking strategy in today's increasingly competitive environment such as that of the banking industry in Ghana. Therefore, it is of paramount importance for bank management to identify and understand factors that drive financial operations and improve upon the Ghanaian economy. The present study built on relevant literature and developed a research model, which aimed at testing the impact of market orientation on the banking sector performance in Ghana. It further investigated how bank service quality dimensions propounded by (Narteh, 2018) adopted by this study as a strategy that affects bank customers is very significant in the area of financial institutions. It finally sought to consider significant relationship between customer relationship management and bank organizational performance.

4.7. Results of Study Hypothesis

Research hypothesis is needed for a sound and well-developed research study and contributes to the solution of the research problem (Gyimah et al., 2012)

4.7.1. Research Hypothesis one (H1)

It was established that, bank service quality has a positive significant relationship with market orientation. Some banks in the Ghanaian financial sector neglected the all important aspect of service quality and they are paying dearly for it. Until the advent of banking sector liberalization in the late 1980's where most foreign banks gained roots in the banking sector, the existing local banks were not taking BSQ seriously. These local banks experienced a serious customer defection and have now realized the importance of service quality. Unfortunately some of these banks have already collapsed whilst some have merged and are focusing on quality service for survival.

4.7.2. Research Hypothesis two (H2)

Like the BSQ, Customer Relationship Management also tested positive with market orientation. As a result, most Ghanaian banks have now come to the realization that, CRM cannot be done away with and most banks like Ghana Commercial Bank (GCB), ECOBANK, ADB, SGSSB and others have constituted a whole department headed by a Customer Relationship Manager responsible for customer care.

4.7.3. Research Hypothesis three (H3)

Customer Loyalty (CL) also has a positive significant relationship with market orientation. The survey proved that, when customers are dissatisfied, they defect and as customer defection is one factor that all service organizations want to avoid, most Ghanaian banks now appreciate and reward loyalty in order to retain customers.

4.7.4. Research Hypothesis four (H4)

Finally, as has been established by many research works, this study realized a strong positive significant relationship between market orientation and organizational performance. All the six elements in Service Market Orientation (SERVMO) namely: Customer Orientation (CUS);Competitor Orientation (COM); Inter-functional Orientation (IO); Performance Orientation (PO); Long-term Orientation (LO) and Employee Orientation (EMO) contribute to organizational performance.

5. Conclusion:

Whilst most researches emphasize on the significance of organizational performance in the banking industry, this study tries to build a complete framework that may influence this notion in Ghana. The study formulates hypotheses from literature reviewed. It came out with four constructs (BSQ, CRM, CL and MO) as factors that might influence organizational performance. The test results of the hypotheses obviously indicated that all the four (4) antecedents (BSQ, CRM, CL and MO) influence organizational performance (OP). This shows that, banks targeting to persist in the current competitive banking environment that prevails in the industry must pay specific consideration to effective and efficient implementation of these strategies to ensure performance towards enhancing their profitability and growth, hence their continuous survival into the unforeseeable future in the industry.

6. Recommendation and Suggestions for Further Studies

All the four constructs investigated as strategies for organizational performance in the banking sector in Ghana have a positive significance evidence as factors that influence banking sector performance. The study therefore recommend to banks in the industry to constantly and consistently improve more upon these strategies and ensure its effective and efficient implementation. Secondly, the study recommends to banks to put the interest of customers first as a way of creating barriers around themselves to prevent customers from switching to their competitors. Next, since the results of this study are based on customers' perceptions in improving banking services in Ghana, future research should adopt the market orientation concept for better performance. This will help the industry to understand whether both customers and banks officials have the same perceptions regarding factors that influence organizational performance. Lastly, future research should attempt to explore whether demographic variables have any bearings on customers intentions in continual patronage of banking services in the industry. Given the importance of bank employee competence, future research may also examine the impact of employees' behaviour that could affect organizational performance.

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