

Effect of organizational learning and effectiveness on the operations, employees productivity and management performance

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Abstract

Purpose – In today's business world, competition is no longer about resources accumulated, but the emphasis is now placed more on the actual accumulation and utilization of knowledge within the organization. Attention has shifted drastically from just acquiring wealth in the organization to an era where knowledge and learning within the organization becomes more critical and important to the organizational survival and continuous growth as put forward by this paper. This paper investigated the effect of organizational learning and effectiveness on operations, employee productivity and management performance. This paper aims to add to scholarly works and knowledge on organizational learning.

Design/methodology/approach – Random and stratified sampling techniques were used. Data collection was done with the use of a questionnaire and analyzed using confirmatory factor analysis and hierarchical multiple regression.

Findings – The result from the data analyzed shows that there is a positive relationship between organizational learning and effectiveness, operations, employees' productivity and management performance suggesting that organization learning impact is encompassing because it affects and influences the effectiveness and efficiency of all the staff at every level within the organization.

Practical implications – Organizations should strive and do everything possible to ensure organizational learning because this study is in an era where knowledge and learning within the organization are more critical and important to organizational survival and continuous growth.

Originality/value – The study demonstrates that the only way to fast-track growth in every sphere of the organization is to ensure organizational learning as it influences the effectiveness and efficiency of all the staff at every level within the organization.

Keywords Employees productivity, Organizational learning, Effectiveness, Operations, Management performance

Paper type Research paper

1. Introduction

Senge (1990) defines a learning organization as a company that facilitates the learning of its members and continuously transforms itself to remain competitive. Organization learning is



a process involving continuous action toward learning, as learning forms the fundamental value to ensure a competitive edge for any organization and gives the organization the capacities needed to stay ahead of the competition. Competition is no longer about resources accumulated by organizations during the era of the knowledge economy, emphasis was placed more on the actual accumulation and the utilization of knowledge within the organization. Attention shifted drastically from just acquiring wealth in the organization to an era where knowledge and learning within the organization became more critical and important to organizational survival and continuous growth. The attention shifted from just accumulating wealth in the organization to acquiring more knowledge through learning to promote and enhance the competitiveness of the organization among its peers (Marquardt, 2019). It is, therefore, of great importance and benefits for organizations to create, acquire, transform and use gained knowledge to cope and also stay ahead of their competitors in this rapid and ever-changing business environment (Senge, 1990; DiBella, 2019).

Kyoungshin and Zhenqiu (2019) also asserted that organizational learning is a major catalyst for the long-term survival and performance of every organization. Calantone *et al.* (2002) in their study of learning organization stated that organizations access and collect information and knowledge from different medium and ensure such information and knowledge is put to best use in guiding their present or future decision-making in the organization. Chaveerug and Ussahawanitchakit (2008) opined that the experience and knowledge from various units and departments should be archived in the organization's memory for easy access when needed by the organization; stating that such knowledge can be used to promote organizational learning and performance. Some studies have been done regarding organizational learning looking at various contexts. The work of Hult *et al.* (2000b) examined global organizational learning in the supply chain looking at the low versus high learning study. The study done on organizational learning by Retna and Jones (2013) focused on the learning organization and its context with Singapore culture. The work done by Borge *et al.* (2018) shifted their study's attention to examining the diverging assessments of learning organizations during reform implementation in some selected firms while the study done by DiBella (2019) focused on the interactions between organizational learning and learning cultures in some selected firms. The motivation for this study is based on the fact that the studies discussed above and other studies examined have looked at organizational learning from a different perspective and sector, the studies also depicts limitations to a particular region or industry but none has mainly focused its study on the effect of organizational learning and effectiveness on the bank operations, employee's productivity and management performance especially from the African context. This was a gap this article was able to fill giving significant importance to this study.

1.1 Problem statement

This research study was deemed important after reviewing several peer-reviewed articles written on learning and organization and observed that most of these studies have not to focus on the effect of organizational learning and effectiveness in the bank industry especially studies focusing on bank operations, employee productivity and management performance in an organization. Some of the earlier studies done include learning organization orientation, innovation, capabilities and firm performance (Calantone *et al.*, 2002), organizational learning culture, learning transfer and perceived innovation (Bates and Khasawneh, 2005), organizational learning as a key role of organizational success (Saadat and Saadat, 2016), the influence of organizational learning on innovative behavior and work engagement (Lin *et al.*, 2017) and diverging of assessments of learning organizations during reform implementation (Borge *et al.*, 2018). It is based on this review and gap that this study

research question aims to find out whether organizational learning and effectiveness has an effect on the bank operations, employee's productivity and management performance.

1.2 Research questions

- RQ1. What is the effect of organizational learning and effectiveness on bank operations?
- RQ2. What is the effect of organizational learning and effectiveness on employees' productivity?
- RQ3. What is the effect of organizational learning and effectiveness on management performance?

2. Literature review

2.1 Organizational learning and effectiveness

Research Studies is still divergent on whether organizational learning has a strong relationship with organizational effectiveness and if such enhances the organizations' operational efficiency, enhances employees' capacity to deliver assigned duties and if it also enhances the organization's management performance in contributing to overall organizational effectiveness and bottom-line profit especially in organizations considered to be well structured (Yang, 2007; Lantz *et al.*, 2015; Kaminska and Borzillo, 2018; Reese and Sidani, 2018; Rose *et al.*, 2020). Again, some of these studies are still very limited and the study sample still only applicable to some particular region or industry as empirical literature on this topic is still very limited.

Whether organizations apply systematic learning or not, learning still takes place but the approach may not usually guarantee effectiveness in the organization (Sidani and Reese, 2018b; Rose *et al.*, 2020). The inability of organizations to put the right policies in place to ensure their firm is a learning organization usually results in misleading implications that may adversely affect the effectiveness of such organization and also create a loophole in the drive of the firm to build a systematic learning organization that guarantees and promotes effectiveness within and outside the organization (Olaore *et al.*, 2020; Rupčić, 2020). Many firms today are yet to realize what can be called an ideal learning organization; a factor that can be attributed to the fact that organizations still lack concrete prescriptions on how to fully implement the recommendations and suggestions made by the few available cogent literatures on learning organization and its composition thereby making many organizations to fall behind among organizations that can be fully considered as learning organizations (Sidani and Reese, 2018b). Systematic approaches to organizational learning from various literature perspective only offers guidance on organizational learning implementation but fails to provide measures for comparability and evaluation creating a major vacuum of learning for organizations pursuing and aiming to make their firm a learning organization (Aydin and Ceylan, 2009; Lantz *et al.*, 2015; Kaminska and Borzillo, 2018; Reese and Sidani, 2018; Rose *et al.*, 2020). Organizational learning has been advanced to be very crucial for organizations operating in a dynamic and unpredictable environment to build capacity for such organization to be able to respond quickly to unforeseen circumstances and to stay ahead of its competitors, this makes it compulsory for every organization to ensure their firm becomes a learning organization as almost all organization in today's business world operates in an environment that is dynamic, fast pace and ever-changing (Reese, 2020). Earlier research work considered organizational learning as a simple process while contemporary works on organizational learning consider it

to be heterogeneous phenomena, deeper concept and richer as it concerns internal adaptation which is triggered by external environmental challenges and fierce competition from the organization's competitors (Yang, 2007; Aydin and Ceylan, 2009; Lantz *et al.*, 2015; Tortorella *et al.*, 2019). The question of whether organizational learning guarantees and promotes effectiveness in the organization still has a divergent opinion and view in literature on the subject matter are still limited to a particular region, firm or industry. For example, the works of Yang (2007), looks at the impact of knowledge sharing on organizational learning and effectiveness. The work of Aydin and Ceylan (2009), looks at the impact of organizational learning capacity on organizational effectiveness using the metal industry as the study focus. The work of Lantz *et al.* (2015), looks at the paradox between Participative work design, standardized work and team proactivity by stimulating team learning. The study done by Kaminska and Borzillo (2018), studied the Challenges to the learning organization in the context of generational diversity and social networks. The study also done by Tortorella *et al.* (2019), looks at how different generations contribute to the development of a learning organization in companies undergoing a lean production implementation. The study was done by Rupčić (2020), considered the context related to learning opportunities for individual and organizational improvement in learning organizations, while the study was done by Reese (2020), also look at taking the learning organization to mainstream and beyond the organizational level which was an interview with peter senge. These studies and others have looked at organizational learning from a different view and perceptive, the studies also depicts limitations to particular region or industry but none has mainly focused its study on the effect of organizational learning and effectiveness on the bank operations, employee's productivity and management performance; a gap/void in literature this study hopes to fill.

2.2 Learning organization and performance

One of the distinguishing features of any known learning organization is the ability to enhance and ensure continuous learning is achieved in the organization and this can only be achieved when the organization engages in systematic thinking to enable the organization to understand itself and other interrelating elements within the organization thereby creating a learning culture in the organization that is expected to affect the organizational performance outcome and, in turn, gives the organization the opportunity to transform itself in a timely manner whenever it is required (Örtenblad, 2019; Goh, 2019; Marquardt, 2019). Achieving high-performance outcomes is crucial for organizations, and therefore, creating an enabling environment that promotes strict adherence to a learning culture, team learning and collaborations will play a crucial role in learning organization performance and also in empowering employees toward a collective vision (Watkins and Marsick, 2019). Issues relating to learning organization and performance can also be linked to the organization's adaptation and the quest for survival in a fast-paced changing environment (Kyoungshin and Zhenqiu, 2019). Organization performance is still very difficult to operationalize because of the complexity of the concept as most studies focus their study on organization performance more on financial performance and yet to fully explore other aspects that can be linked to learning organization performance; like knowledge and ability to use gained core competence by an organization to enhance and project the learning organization performance over a long term period (Marquardt, 2019; Kyoungshin and Zhenqiu, 2019). Considering the dynamic nature of the business environment within which businesses operate and the rapid changes taking place as a result of technological adoption and innovations, there's an urgent call and need for learning organizations to ensure they secure intangible performance too and not just financial performance to ensure long term sustainability (DiBella, 2019; Lam, 2019). Empirical evidence has also shown that

Organizations that aggressively pursue learning experience improvement in performance because there's a trade-off of knowledge in every unit of the learning organization leading to a harmonious and continuous learning environment in the organization (Lam, 2019). While it is been established that team learning mediates organizational performance and does not directly influence it (Kyoungshin and Zhenqiu, 2019; Hong and Mak, 2019). Some other empirical research states that creating a learning organization gives room for continuous learning which gives a greater impact to individual employees in the organization rather than organizational performance (Flood and Finnestrand, 2019; DiBella, 2019). While the debate in literature still ranges regarding whether learning organization performance is to be viewed and measured basically from the financial aspect, knowledge aspect, gained core competence aspect or in all of the aspects mentioned (Kyoungshin and Zhenqiu, 2019; Boydell *et al.*, 2019; Marquardt, 2019). More empirical research is still needed in this area to establish a clear-cut dimension to enable concrete measurement for learning organization performance.

2.3 Challenges faced by bank operations

The banking industry in different countries both in the developed world and the developing nations have undergone series of consolidation leading to mergers and acquisitions to form a stronger and more formidable banking system that can withstand risk and stand the test of time (Avortri and Agbanyo, 2020). Still, the banking industry is still faced with a lot of challenges presented by the ever-changing and challenging business environment. Bolarinwa and Soetan (2019) opined that the challenges facing the modern-day banking industry are still tasking and a call for holistic review by regulators and policymakers. Some of the challenges highlighted in their study include increasing competition, the problem of customer retention, continuous quest and challenge for the bank to meet innovation demand of customers and also the challenge posed by the ever-changing business model to meet customers' expectations to retain the customers. Van-Driel (2019) further added more challenges faced by banks to include the continuous effort by banks to meet regulatory compliance, the challenge of managing the bank businesses to gain competitive advantage and also the rising expectations from both stakeholders and customers as some of the numerous challenges faced by banks. Despite these challenges, the banking industry has continued to witness tremendous growth and the creation of various banking products that appeal to customers.

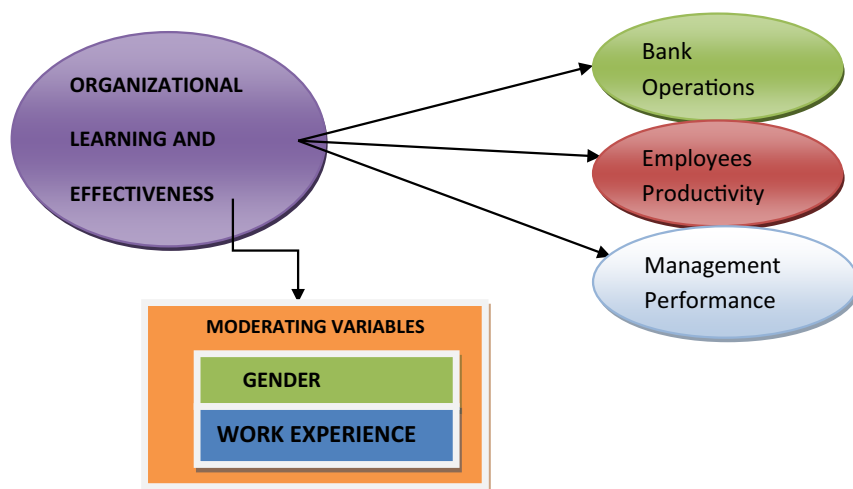
2.4 Underpinning theory

2.4.1 Total quality management and the system's view theory. Total quality management theory propounded by Deming (1990) and system view theory will form major theoretical support for this research study. Deming in the theory of total quality management discovered that for any organization or firm to achieve its desired goal and target, the organization must put in place a well-designed system for profound knowledge. Deming went further to state that it is very disastrous and irresponsible for any organization to copy the success of other organizations without backing it with supporting theory. Senge (1990) also supported Deming's view posting that total quality management is a critical part of organizational learning and very germane to the success and overall improvement of the organization. Senge (1992), further contributed to the framework giving theoretical support to Deming's postulations in total quality management by adding that organizations must develop five core areas, namely: personal mastery, mental models, shared vision, team learning and systems thinking. The foundation laid by Senge's theory on learning organization is now a reckoning feat compelling other researchers and writers to dive into

exploring more literature and studies on organizational learning theory. The underpinning theory shows critical relevance to the study hypothetical model and also contributed significantly to literature as total quality management emphasized the need for a well-designed system for profound knowledge acquisition in an organization, indicating that for organizational learning and effectiveness to take place, organizations must dwell more on establishing a profound system for knowledge acquisition in the organization. Another relevance of the theory to the study hypothetical model and literature is the fact that total quality management emphasizes the need for continuous improvement in the organization which is also a crucial factor in ensuring organizational learning and effectiveness in the operations, employee's productivity and management performance in the organization as found in this study. The moderating variables were included in the study based on the study done by [Kohtamaki et al. \(2012\)](#) and the study done by [Tortorella et al. \(2019\)](#) which was unable to establish if there's any role played by gender and years of work experience in organizational learning and effectiveness; this study was able to establish that gender has no effect on organizational learning and effectiveness but established that years of work experience plays a critical role as this shows that an employee's progress with respect to years of experience in the organization, the learning impacted will have a significant progressive improvement on the employee work and productivity in the organization. Thus, organizational learning has an impact and is relevant to the years of experience that employees use in the organization.

2.5 Hypotheses development and conceptual framework

Figure 1 represents the research model. The research model depicts the effect of the independent variable (organizational learning and effectiveness) on the dependent variables (bank operations, employees productivity and management performance) while the moderating variables (gender and work experience) were included in the research model to test if gender and work experience plays any critical role in employees learning and effectiveness in the organization.



Source: Researchers' (2020) as advanced by literature

Figure 1.
Research model

2.5.1 Organizational learning and bank operations. The operations department in any organization is usually responsible for the scheduling, planning and control of all activities leading to the transformation of inputs into finished goods and services. While the work of [De Waal and Kourtit \(2013\)](#) looked at operations generally, it did not particularly take into account the context of bank operations. The work is done by [Kaminska and Borzillo \(2018\)](#) also places emphasis on the challenges faced by learning organizations in adjusting their operations to suit customers' expectations and to meet current expectations but was not peculiar in looking at how bank operations work. The work of [Lam \(2019\)](#) also focused more on Ambidextrous learning Organizations and the study did not cover any aspect of operations or bank operations. This necessitated the formulation of our first hypothesis to see if organizational learning and effectiveness have an effect on bank operations:

Ho1. Organizational learning and effectiveness does not have any significant positive effects on bank operations.

2.5.2 Organizational learning and employees' productivity. The employees of any organization have been seen as the most critical factor and most valuable assets and a vital key to the success of any organization. It has been established that employees are the life wire in any organization and their input is of critical importance to the continued growth and survival of the organization. The study done by [Albrecht et al. \(2015\)](#) examined employee engagement, human resource management practices and competitive advantage in some selected firms. While the study was able to justify the need to build a robust employee engagement; the study was unable to link it to employees in the banking industry and the selected firms for the study did not include any bank. The study was done by [Lin et al. \(2017\)](#) examined the influence of organizational learning on employees' innovative behavior and work engagement. The study discovered that organizational learning plays a vital role in employees' innovativeness, but the study organization was not domiciled within the banking industry. The study was also done by [Reese \(2020\)](#) examined organizational learning at various units of the organization but did not make mention examining organizational learning and employees' productivity. This hypothesis was formulated in line with these findings to test if organizational learning and effectiveness have any effect on employees' productivity:

Ho2. Organizational learning and effectiveness does not have any significant positive effects on employees' productivity.

2.5.3 Organizational learning and management performance. The management in any organization is the highest decision-making body of the organization and it is responsible for the maintenance, development and allocation of available resources to attain the goals and objectives of the organization. Management is responsible for strategic planning of the organization and making better plans that will ensure the survival of the organization. The study done by [Reese and Sidani \(2018\)](#) examined organizational learning from a practical perspective looking closely at policies to ensure organizational learning within the selected firms but failed to look at management performance. The study done by [Rupčić \(2020\)](#) examined the context related to learning opportunities for individual and organizational improvement in learning organizations but also failed to look into management performance. While the study done by [Rose et al. \(2020\)](#) focused more on organizational learning through projects especially in higher institutions of learning but failed to bring in

the aspect of management performance in the organization studied. This necessitated the third hypothesis in this paper seeking to ascertain if organizational learning and effectiveness affect management performance:

Ho3. Organizational learning and effectiveness do not significantly affect management performance.

3. Methodology

3.1 Data collection and procedure

The study was strictly conducted by using Guaranty Trust (GT) Bank Plc in Nigeria. The data collected is strictly descriptive in nature as it uses the use of a questionnaire as a quantitative technique to collect the needed data from the employees of GT bank Plc in Nigeria. In total, 300 employees were selected from all the employees of GT bank plc in Nigeria and were deemed a good representative of the sample statistic for the study. A simple random and stratified sampling technique was adopted as a guide to the type of respondents selected from employees of this bank. The justification for using simple random and stratified sampling is to give each respondent an equal opportunity of been selected for sampling while stratified sampling helps to differentiate the kind of employees to be selected for sampling in the bank. The various strata's were employees in the operations units from different branches of the bank, employees in the customer's service units from different branches of the bank and top management executives of the bank. Stratified sampling is important because it helps the researcher to dichotomize the type of respondents in the selected banking firm that are relevant for gathering data necessary for the study and given the work of confirmatory factor analysis (CFA) that help to check and prune down measures of each construct in the study to ensure consistency and for the data to test what it was set out to test (Bagozzi and Yi, 2012).

3.2 Instrumentation

Banking operations followed the value chain approach suggested by (Johnson and Clark, 2001; Menor *et al.*, 2001; Gupta, 2001) Management performance was adopted from (Rhee and Mehra, 2006; Gupta, 1996), organizational learning and effectiveness follow the work of (Yang *et al.*, 2004; Bontis *et al.*, 2002; Jyothibabu *et al.*, 2010), employees productivity (Escorpizo *et al.*, 2007). While the demographic constructs of respondent used as the moderating role were operationalized in the study to include gender divided into (male and female) working experience (below 2 years, 2–5 years, 6–8 years and 9 years and above) and job level (top-level management, middle level and lower level). The questionnaire scale used a five-point Likert-scale of strongly agree, agree, undecided, disagree and strongly disagree. The questionnaire adopted was a validated instrument used by some previous researchers working on organizational learning and the instrument was well developed to meet the needed content validity for this study. Hence, the questionnaire was then distributed and the distribution took eight weeks and was aided by senior staff in the organization to facilitate quick distribution and response rate. Hence, CFA and hierarchical multiple regression were adopted to test the stated hypotheses in the study. The study conducted a pilot study to test the reliability of the questionnaire items by first distributing 60 questionnaires across the selected banking firm and the reliability results show (0.83) which are above the recommended value of reliability acceptance of (0.70) by Nunnally (1978). Given the result of the reliability of the data, then we can follow (Maravelakis, 2019) that the measures of each construct in the study ensure content validity.

3.3 Context and participant

The study shared 300 questionnaires to the respondents and was able to retrieve 291 making a percentage return of (97%) total questionnaires retrieved and used for the analysis. The retrieved questionnaire was used for the analysis. The demographic details of the respondents with regard to their gender revealed that 42.3% of the respondents are male while 57.7% are female. With respect to their age, 9.3% are less than 25 years of age, 57.4% are between 25 and 30 years, while 33.3% are between 31 and 40 years of age. On the respondent's marital status, 27.8% are single, 65.3% are married while 6.9% of respondents ticked others. Similarly, response based on educational qualification, 76.6% of respondents are holders of the first degree, 23.4% have a second degree. Furthermore, response based on job level shows that 15.8% of respondent are in the top-level management position, 76.6% are in middle-level position while 7.6% are in lower-level position. Finally, response based on working experience, 15.8% of respondents have below 2 years of working experience, 73.2% have between 2 and 5 years while 11% have between 6 and 8 years.

4. Data analysis

4.1 Confirmatory factor analysis

To validate the reliability of each variable or construct used to collect the needed data, the study used CFA. The variable organizational learning and effectiveness have eight items out of which three-item was deleted, employee productivity has 10 items out of which four items were deleted, bank operations has nine variable out of which three items were deleted while management performance had 11 variable out of which four items were deleted. The justification for deleting constructs items was based on the criteria set by (Bagozzi and Yi, 2012) for reaching model/measurement fitness in CFA. The measurement model fit the data well as chi-square (X^2/df) = 3.848, incremental fits index (IFI) = 0.890, comparative fits index (CFI) = 0.910, tucker lewis index (TLI) = 0.920 and roots mean square error of approximation (RMSEA) = 0.06 and as supported by (Nusair and Hua, 2010). The model also carried out composite reliability and average variance extracted to test whether each of the variables in the study is not testing the same thing and based on the acceptance model set for composite reliability (CR) to be 0.70 and average variance extracted (AVE) to be 0.50, the results also show perfect fitness to the measurement model. The Cronbach alpha reliability test was also tested for each variable to further corroborate the result of the CFA, CR and AVE and using the standard of Nunnally (1978) of 0.70 as a benchmark, the entire variables show a good reliability coefficient.

Table 1 shows the unidimensionality results from the reliability measure test such as mean and standard deviation of the items on the questionnaire, as well as Cronbach's alpha reliability, CR and AVE figures for each construct in the model. Testing for the fitness of the model and instrument used to conduct the analysis. The study conducted CFA to determine the goodness of fits of the model. The observed variable of bank operations had nine items, out of which three items (BO1, BO5 and BO8) were deleted. The variable employee productivity had 10 items out of which four items were deleted (EP1, EP5, EP9 and EP10) while the variable management performance had 10 items and three items were deleted (MP1, MP2 and MP7). The results of the CR and the AVE for each of the variables tested are above 0.70 and 0.50 which is the baseline threshold as recommended by Bagozzi and Yi (2012) and this shows that the model is reliable.

Furthermore, the threshold of acceptance of Cronbach's alpha is 0.70 as recommended by Nunnally (1978), thus, the results show that each of the variables Cronbach's alpha is above the threshold for acceptance. Generally, the measurement model fit the data well as chi-square (X^2/df) = 3.848, incremental fits index (IFI) = 0.890, comparative fits index

(CFI) = 910, tucker lewis index (TLI) = 0.920 and roots mean square error of approximation (RMSEA) = 0.06) and as supported by (Nusair and Hua, 2010).

Table 2 shows the link between the three hypotheses tested in the study. The R coefficient in Model 1 shows the relationship between the independent variables (*bank operations, employee productivity and, management performance*) and the dependent

Constructs	Mean	SD	Cronbach's alpha	CR	AVE
<i>Organizational learning and effectiveness</i>					
OLE1	3.89	1.146	0.750	0.731	0.556
OLE2	3.84	1.143			
OLE3	4.22	1.127			
OLE4	4.18	1.287			
OLE7	3.86	0.978			
<i>Bank operations</i>					
BO2	3.89	1.437	0.801	0.728	0.525
BO3	4.27	1.267			
BO4	4.39	1.144			
BO6	4.29	0.863			
BO7	4.38	0.767			
BO9	4.11	1.616			
<i>Employee productivity</i>					
EP2	3.26	1.080	0.847	0.758	0.523
EP3	3.36	0.989			
EP4	3.89	1.144			
EP6	3.23	1.363			
EP7	3.47	1.474			
EP8	3.29	1.560			
<i>Management performance</i>					
MP3	3.08	1.060	0.792	0.821	0.645
MP4	3.08	1.052			
MP5	3.14	1.095			
MP6	3.17	1.095			
MP8	3.47	1.560			
MP9	3.29	1.144			
MP10	4.07	0.821			

Notes: CR: Composite reliability; AV: Average variance extracted. Predictors: (constant), bank operations, employee productivity, management performance; Dependent variable: organizational learning and effectiveness

Source: Field Survey (2020)

Table 1.
Reliability measures

Model 1	R	R ²	Adjusted R ²	Std. the error of the estimate	R ² change	Change statistics			Sig. F change
						F change	Df1	Df2	
1	0.852 ^a	0.725	0.720	0.606	0.725	149.967	5	284	0.000
2	0.297 ^a	0.088	0.069	1.103	0.088	4.580	6	284	0.000
3	0.250 ^a	0.063	0.046	1.117	0.063	3.811	5	285	0.002

Notes: ^aPredictors: (constant), bank operations, employee productivity, management performance; Dependent variable: organizational learning and effectiveness

Source: Field Survey (2020)

Table 2.
Hierarchical multiple
regression

variable (organizational learning and effectiveness); and has values of 0.852, 0.297 and 0.250, respectively. The R^2 value shows the extent to which an independent variable contributes to the dependent variable. Bank operations accounted for 72.5%, employees productivity accounted for 8.8% while management performance accounted for 6.3%. R-square change shows the extent to which holding quality of service enjoyed in the bank through organizational learning and effectiveness constant, the bank operations contribute 72.5% change in organizational learning, employee's productivity contributes 8.8% while management performance contributes 6.3%. The F-change value shows the degree of fitness between the independent variable and the dependent variable. It reports that bank operations are fit to explain organizational learning and effectiveness at 149.967, employee productivity is fit to explain organizational learning at 4.580, while management performance is fit to explain organization learning at 3.811. This implies that each element of the independent variables significantly contribute to change in the dependent variable (organizational learning and effectiveness) when testing at $p < 0.05$. The significant F-change also corroborates the finding from the study when $p = < 0.05$. Therefore, *bank operations, employee productivity, management performance* significantly contribute to organizational learning and effectiveness. Hence, given the results and the analysis above, the hypothesis which states that organizational learning and effectiveness does not have any significant positive effects on bank operations was rejected and the alternate hypothesis was accepted. Similarly, the hypothesis which states that organizational learning and effectiveness does not have any significant positive effects on employee productivity was rejected due to the results from the analysis and alternate hypothesis accepted. Furthermore, the hypothesis which states that organizational learning and effectiveness does not significantly affect management performance was also rejected and the alternate hypothesis was accepted due to the results from the analysis as stated above.

4.1.1 Moderation effect

Ho4. Organizational learning and effectiveness does not have any significant positive effects on the Gender of employees in the bank.

Ho5. Organizational learning and effectiveness does not have any significant positive effects on employees work experience.

To analyze the moderation impact of the demographic variables such as gender and employee's working experience on organizational learning and effectiveness, the analysis of variance (ANOVA) was used. The essence of these hypotheses is to check if organizational learning has anything to do with the gender of employees with regard to male and female or the number of working experience attained in the organization before learning is acquired by the employees in the selected organization. The result of the hypothesis with respect to gender (male and female) on organizational learning and effectiveness shows that men and women have no significant mean difference when testing at $p = < 0.05$. This shows that the organization does not train or impact learning on employees while paying attention to their gender. Employees training are based on job need and it does not discriminate based on gender. Hence, *Ho4* was accepted. However, employee work experience in organizational learning shows that there is a significant mean difference when testing at $p = < 0.05$. This shows that as employees progress with respect to years of experience in the organization, the learning impacted will have a significant progressive improvement on employee services and productivity in the organization. Thus, organizational learning and effectiveness have an impact and is relevant with the years of experience that employee use in the organization. Hence, *Ho5* was rejected.

Table 3 shows the moderation effect of gender and work experience on employees learning and effectiveness in the organization. The result of the hypothesis tested with

regard to gender (male and female) on organizational learning and effectiveness shows that men and women have no significant mean difference when testing at $p = < 0.05$. This shows that the organization does not train or impact learning on employees while paying attention to their gender. Employees training are based on job need and it does not discriminate based on gender. Hence, *Ho4* was accepted. However, employee work experience in organizational learning shows that there is a significant mean difference when testing at $p = < 0.05$. This shows that as employees progress with respect to years of experience in the organization, the learning impacted will have a significant progressive improvement on employee services and productivity in the organization. Thus, organizational learning and effectiveness have an impact and is relevant with the years of experience that employee use in the organization. Therefore, *Ho5* was rejected.

4.2 Results and discussions

The study has been able to examine the effects of organizational learning and effectiveness on bank operations, employee productivity and management performance. The study organization was Guaranty Trust Bank PLC in Nigeria (GT Bank), the scope of respondents sampling selection with regard to GT Bank branches selected in Nigeria. The finding of the study shows that organizational learning and effectiveness have a significant positive relationship with the bank operations and this is because organizational learning is a commitment to continue effective operations of the bank to its customers. This reflects in the ways in which customers are attended to from the first point of contact especially starting with the bank securities to the last point of contact. Customers they say are the engine that determines the continuous existence of an organization. Hence, organizational learning is essential to ensuring effective services are rendered to customers always. Organizational learning and effectiveness cultivate a form of relational exchange that transit to knowledge sharing among employees within the organization. This intra organization sharing of knowledge among employees is what ensures effective bank operation and services to all its clients and stakeholders. This finding is consistent with the work of (Lambert and Cooper, 2000; Martin and Grbac, 2003) that the consistent creation of customer value begins with organizational learning and then leads to firm profitability.

Similarly, finding shows that there is a significant positive relationship between organizational learning and employee productivity. Organizations that operate with a culture of open-mindedness and employee knowledge sharing tend to improve employee productivity not only in a formal way (training and development) but also in an informal way. Then, this is possible by encouraging the culture that allows effective communication of knowledge and the spirit of oneness among employees. Quite a number of scholars have

Demographic hypotheses		Sum of squares	df	Mean square	F	Sig.
<i>Gender</i>						
Organization learning and effectiveness	Between groups	8.765	1	8.765	6.837	0.009
	Within groups	370.492	289	1.282		
	Total	379.258	290			
<i>Work experience</i>						
Organization learning and effectiveness	Between groups	18.111	2	9.056	7.221	0.001
	Within groups	361.147	288	1.254		
	Total	379.258	290			

Source: Field Survey (2020)

Table 3.
ANOVA analysis of
the demographic
variable on
organization learning

established the positive relationship existing between organizational learning and human behavior (Hult *et al.*, 2002; Hult *et al.*, 2000a). Then, human behavior in this regard is an influence on employee productivity. Hence, organizational learning and effectiveness have a direct causal relationship to employee productivity because both are one end of the same continuum.

Furthermore, the study also shows that there is a positive significant relationship between organizational learning and management performance. Management performance in this regard is referred to as the decision and policy made by the organization in relation to the day-to-day operations of the firm. Thus, to what extent has organizational learning enhanced management decisions and policies especially as it is related to the activities of the firm. The study has been able to establish a direct positive impact between organizational learning and management performance. We can then state that organizational learning impact is encompassing because it is affecting and influence the effectiveness and efficiency of all the staff (lower, middle and top staff) within an organization. This then is what leads to the brand image that customers have of an organization, its services and operations (Richard *et al.*, 2009). The study, however, could not establish a discrepancy in organizational learning and employee's gender with regard to men and women in the organization. This then means that regardless of the gender that employees of GT Bank are, organizational learning is all-inclusive of everyone and does not discriminate based on gender (Kohtamaki *et al.*, 2012). Furthermore, the findings of the study also show that the more years employees serve an organization, the more they get drenched in the culture of learning and sharing of knowledge within an organization. This means that an employee with 2 years of experience within an organization will have little understanding of organizational learning compared with employees with 10 years of working experience and above.

5.1 Contribution of the study to literature

The followings are the contributions of this study to the literature:

- Organizational learning and effectiveness significantly have a positive effect on bank operations.
- Organizational learning and effectiveness significantly have a positive effect on employees' productivity.
- Organizational learning and effectiveness significantly affect management performance.
- Organizational learning and effectiveness do not have any significant effect on the gender of employees but have a significant positive effect on employees' work experience.

5.2 Limitations and scope of the study

This study acknowledges a few limitations. First, the response rate can be said to be relatively moderate as data was collected during the peak of the Covid 19 pandemic outbreak around the world giving room for respondents to be reluctant in filling questionnaire inquiring about their job, age, sex, academic qualification, years of experience, etc. Second, the study was limited to the banking industry alone and data was not taken from another sector. However, despite the mentioned limitations, our study was able to contribute to knowledge and literature establishing that organizational learning and effectiveness significantly have a positive effect on the bank operations, employee's productivity and management performance. Further research can also be done on the same study by extending the scope to other sectors and a comparison can be made between both studies. Research can also be done on the same topic and using different countries with similar banking industries to make the study more robust and for expanded comparison of the studies.

5.3 Conclusion

The study did a critical study on the effect of organizational learning and effectiveness in the banking industry while focusing on the bank operations, employee's productivity and management performance. The study responds to the desire to critically examine the contribution of organizational learning and effectiveness to the success of an organization and contributes to knowledge and recent literature on bank operations, employee productivity and management performance. There is a dearth of literature on previous studies examining the effect of organizational learning and effectiveness on bank operations, employees' productivity and management performance in the banking industry; a gap this study has effectively filled.

5.4 Managerial implications

The study findings have some managerial implications as it can be used to develop a policy framework for organizational learning aimed at further enhancing employees' productivity and improving the overall operations of the organization which will, in turn, generate more fund for the organization in terms of increased customer base and also a boost to the economy. Another managerial implication from the study findings is that organizations can design tailored-made systems that will propel profound knowledge acquisition and sharing within all units across the organization.

5.5 Suggestion for future studies

This study critically examined the effect of organizational learning and effectiveness on bank operations, employees' productivity and management performance in the banking industry. Future studies can be done to examine the effect of organizational learning and effectiveness on the quality of training programs within an organization using more firms from different sectors. Future studies using comparative analysis can also be done on the effect of organizational learning and effectiveness on service operations, employees' productivity and management performance in the communication and aviation industry as this aspect has not been well explored especially from the African context.

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