

**THE EFFECTS OF INFORMATION TECHNOLOGY (IT)
INFRASTRUCTURE ON CUSTOMER SERVICE DELIVERY OF
STANBIC IBTC BANK IN NORTH WEST REGION**

BY

**Mohammed NURA
MBA/ADMIN/13574/2011-2012
G11BAMP8126**

November, 2014

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**A THESIS SUBMITTED TO THE SCHOOL OF POSTGRADUATE
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**DEPARTMENT OF BUSINESS ADMINISTRATION,
FACULTY OF ADMINISTRATION,
AHMADU BELLO UNIVERSITY,
ZARIA**

November, 2014

DECLARATION

I hereby declare that this research work is the sole effort and a product of my findings. All materials used are duly acknowledged and therefore I accept responsibility for any short comings therein.

Name of student

Signature

Date

CERTIFICATION

This research work titled “The Effects Of Information Technology (IT) Infrastructure On Customer Service Delivery Of Stanbic IBTC Bank On North West Region” by Mohammed Nura has been read and met the regulations governing the award of the Degree of Masters in Business Administration (MBA) Ahmadu Bello University, Zaria and it is therefore approved for its contribution to knowledge and literary presentation.

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Chairman Supervisory Committee

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Dean, Postgraduate School

Signature/ Date

DEDICATION

I dedicate this project work to God Almighty.

ACKNOWLEDGEMENT

My profound gratitude goes to God Almighty for making me to attain this height in my educational pursuit and for the finances.

To my Supervisor Dr Kabiru Jinjiri Ringim for his guidance, patience and assistance towards the completion of this research work.

To family, friends and all well wishers

ABSTRACT

The aim of this research is to investigate the effects of IT infrastructure on customer service delivery of Stanbic IBTC Bank in North West region. The main objective of the study is to examine the effects of IT infrastructure on customer service delivery of Stanbic IBTC Bank in North West Region. Regression was used in the analysis of the data, the study made use of primary source of data to obtain information. The major findings of the research revealed that there is significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region not effective and this affect the customer service delivery of Stanbic IBTC. The study therefore recommends based on the findings that Information Technology (IT) infrastructure should be strengthened so as to foster customer service delivery of Stanbic IBTC, since the information technology has wide acceptance.

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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Information technology infrastructure has a great effect on customer service delivery in the banking industry. Customer is the pivot in marketing. Customer behavior and customer service delivery plays a good role in marketing set-up. Everything depends up on the behavior of customers. Bank must find out the needs and wants of customers first and then set up product features based on this. It is not easy to change the attitude of customers and induce them to buy a product. It is a difficult task to force them to change the attitude of customers. But customer's preference may vary from one customer to another. It depends on the features of a product and other factors.

According to OECD (2002), the Information Technologies infrastructure play important and growing role in customer service delivery. Stanbic IBTC are getting increasing benefits from their continuous investments in information technology infrastructure, as well as from a wider use of the Internet in a knowledge-based economy. IT infrastructure have stimulated innovation in customer service delivery, increased the efficiency of the bank

Customer service delivery has a vital role in marketing, the knowledge of what customers need, want and expect is a central concern of a bank focused on customer satisfaction. Kertz (1998) made us understand that a typical business losses half of its customers every five years. The underlying reason for many customer defections is

that they were not satisfied from what was received from the firm. Customers often have loyalty to a company after a conflict has been resolved than if they never complained at all. business benefit from treating complaints as welcome resources and opportunities to gain innovative ideas for improvement. Customer service delivery is said to be the only forward working indicator of company success (Akpan, 2003). It is a major reason for brand loyalty and what makes the customer keep coming back. In order words, managers should try as much as possible to measure customer satisfaction. Without much effort, managers will find it difficult to know where the organization is standing vis-à-vis the overall service delivery of customers with their product and services.

Information infrastructure will help in the customer service delivery by using a combined set of hardware, software, networks, facilities, etc. (including all the information technology), in order to service the customer.

1.2 Statement of the Problem

Most Organization particularly the banking industry does not give much attention to Customer Service Delivery as such customers are lost almost every day. Effective customer service delivery can be a continuous stream for new customers and referrals and vice versa. This tends to be the lowest cost growth methodology applied by banks. Whereas ineffective customer service delivery can severely undermine the marketing programs of the bank through telling potential customers about their negative experiences with the bank.

Effective customer service delivery can be key in helping the bank to uncover new revenue and profit opportunities for the bank by recommending products, services, features, and enhancements that can put the bank significantly ahead of their competition. Satisfied customers will give the bank the benefit of the doubt when something does go wrong. This gives them a second chance, which they would not do if they were marginally satisfied from their earlier buying experiences with the bank. Satisfied customers will tell the bank what they are doing wrong, report on what the competitors are doing right or wrong, tell the highest and best use for their products and services and help the bank position and market them more effectively. Satisfied customers can be a blessing in hard times when the organization need a big order to pay for a new piece of equipment, to justify a new loan, and to support them in case of a disaster such as fire or flood.

IT infrastructure can be a solution to the aforementioned problem of customer service delivery by helping you in your marketing budget, sales campaigns, discounting, and offering special programs which will help to overcome poor customer service. So to grow in the business you must improve the IT infrastructure of the bank. It is against this background that the study intends to examine the effects of IT infrastructure on customer service delivery of Stanbic IBTC Bank in North West Region with a view of proffering solution to the problem.

1.3 Research Questions

The core research questions are:

- i. To what extent does IT infrastructure affect customer service delivery in Stanbic IBTC Bank in North west Region

1.4 Objectives of the Study

The main objective of the study is to examine to examine the effects of IT infrastructure on customer service delivery of Stanbic IBTC Bank in North West Region. Other specific objectives include:

- i. To determine the effects of IT infrastructure on customer service delivery in Stanbic IBTC Bank.

1.5 Research Hypothesis

H_0 : There is no significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region

H_1 : There is significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region

1.6 Significance of the Study

This research work will be of great importance to all the stakeholders involved, particularly in Nigeria. The knowledge on the subject provided in this study will demonstrate the significance of IT infrastructure on customer service delivery of Stanbic IBTC Bank. It is the belief of the researcher that customer service delivery

will be a solution to marketing problem. However, it is the wishes of the researcher that this study shall be great significance to the bank customer, investors, society, banks, marketing organization etc.

Finally, the significance of this work goes a long way in providing more reference materials for further research by researchers and other stakeholders in order to facilitates their understanding of marketing; and also to increase to the stock of reading materials in the library of Ahmadu Bello University (A.B.U) Zaria.

1.7 The Scope of the Study

The study examines the effects of IT infrastructure on customer service delivery of Stanbic IBTC Bank in North West Region. The study looks at how IT infrastructure has help in the effective service delivery to customer and enhances the bank performance. The study will cover the period of (2010 – 2013). The study choice of Stanbic IBTC is because of the proximity of the researcher to the research materials and 2010-2013 was chose because of the attention banks give to IT infrastructure during this period.

1.9 Operational Definition of Terms

Electronic Commerce: The act of buying and selling of goods and service on line.

Electronic Fund Transfer (ETF): The electronic movements of information between two depository institutions resulting in value (money) transfer.

Innovation: The act of alternating something to make a change and then introduced the results as a novelty.

ATM: Automated Teller Machine

Internet: A computer network made up of thousands of networks worldwide.

IT infrastructure: The use of information technology in the processing and execution of transactions.

System: Set of inter-related or interacting elements.

Swift: System wireless fund Transfer; a strategy aided by technology innovation used in the transfer of money across the globe.

Internet Banking- This is a product that enables the Bank leverage on the Internet Banking System Module in-built on the new Banking Application (BANKS) implemented by the Bank to serve the Internet Banking needs of the Bank's customers.

Mobile Banking - This is a product that offers Customers of a Bank to access services as you go. Customer can make their transactions anywhere such as account balance, transaction enquiries, stop checks, and other customer's service instructions, Balance Inquiry, Account Verification, Bill Payment, Electronic fund transfer, Account Balances, updates and history, Customer service via mobile, Transfer between accounts etc.

Payment System – A financial system that establishes that means for transferring money between suppliers and of funds, usually by exchanging debits or Credits between financial institutions.

Technology: The systematic application of scientific and other organized knowledge to practical tasks.

Point Of Sale (POS) Machine - A Point-of-Sale machine is the payment device that allows credit/debit cardholders make payments at sales/purchase outlets. It allowed customers to perform the following services Retail Payments, Cashless Payments, Cash Back Balance Inquiry, Airtime Vending, Loyalty Redemption, Printing mini statement etc.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews some of the past works, comments, statements, opinions and definitions made by various writers and group of persons contained in textbooks, journals and magazines having direct bearing on the topic of this project; the effects of IT infrastructure on customer service delivery of Stanbic IBTC Bank in North West Region.

2.1 The Concept of IT infrastructure

This study defines IT infrastructure as the extent of the organization's expenditure on IT infrastructure, IT personnel training, IT consulting, IS maintenance, computers and software, effective alignment of IT infrastructure and building an effective IT infrastructure, proper IS integration, effective reengineering of legacy IS, increase IT competency, and effective use of software tools, which are the most important factors that contribute to the improvement of operational performance of a bank. IT is the automation of processes, controls, and information production using computers, telecommunications, software and ancillary equipment, such as automated teller machines and debit cards (Khalifa, 2000). It is a term that generally covers the harnessing of electronic technology for the information needs of a business at all levels.

Irechukwu (2000) lists some banking services that have been revolutionized through the use of ICT as including account opening, customer account mandate, and transaction processing and recording. Information and Communication Technology have provided self-service facilities (Automated customer service machines) from where prospective customers can complete their account opening documents direct online. It assists customers to validate their account numbers and receive instruction on when and how to receive their chequebooks, credit and debit cards. Communication Technology deals with the physical devices and software that link various computer hardware components and transfer data from one physical location to another (Laudon&Laudon, 2001).

2.1.1 IT Infrastructure

IT infrastructure: this dimension is measured by the organization's extent of expenditure on IT infrastructure, personnel, IS integration, maintenance, computers and software. Effective reengineering of legacy information systems, the effective use of software tools that contributes to the success of BPR project. This dimension is assessed by five items. The list of activities below briefly presents the items of measurement for the IT infrastructure construct:

1. The organization aligns I.T infrastructure and BPR strategy.
2. The organization builds an effective I.T infrastructure.
3. The organization has a sufficient budget for a purchase of an updated hardware and software for operational processes.
4. The organization achieved proper integration of I.T.

5. The organization makes effective use of software tools.

Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree	
1	2	3	4	5	6	
Statements			Level of Agreement			
E1. The organization aligns I.T infrastructure and BPR strategy.	1	2	3	4	5	6
E2. The organization builds an effective I.T infrastructure.	1	2	3	4	5	6
E3. The organization has sufficient budget for a purchase of an updated hardware and software for operational processes.	1	2	3	4	5	6
E4. The organization achieved proper integration of I.T.	1	2	3	4	5	6
E5. The organization makes effective use of software tools.	1	2	3	4	5	6

IT service capability maturity model

According to Niessink, Clerc and Vliet (2004), the IT Service capability maturity model consists of five (5) maturity levels, which contain key process areas. For an organization to reside on a certain maturity level, it needs to implement all the key processes for that level and lower levels. The main focus is the maturity of the service

organization, not the maturity of individual services, projects or organizational units.

The model covers the service-delivery process with primary objectives:

1. To enable IT service providers to assess their capabilities with respect to the delivery of IT services.
2. To provide IT service providers with direction and steps and further improvement of their service delivery.

The IT Service CMM fulfills the above objectives by measuring the capability of the IT service processes of organizations on a five level ordinal scale. Each level prescribes certain key processes that have to be in place before an organization resides on that level. Key processes implement a set of related activities that, when performed collectively, achieve a set of goals considered important for enhancing service process capability. Hence, organizations can improve their service capability by implementing these key processes. More formally, we define the IT service process capability as the range of expected results that can be achieved by following a service process. IT service process performance represents the actual results achieved by following an IT service process. The IT service process maturity is the extent to which a specific process is explicitly defined, managed, measured, controlled and effective. The IT Service CMM focuses on measuring and improving the IT service process maturity of IT service organizations. An organization that scores high IT Service CMM scale will be able to:

1. Deliver quality IT services, tailored for the needs of its customers.
2. Do so in a predictable, cost-effective way
3. Combine and integrate different services, possibly by different service providers, into a consistent service package.
4. Continually improve service quality in a customer-focused way.

In order to understand IT S-CMM, it is necessary to see the definitions of the various levels and to understand the structured nature of these definitions. The five levels of the IT Service CMM are shown in Table 2.1.1

Table 0.1.1

Five Levels of the IT Service Capability Maturity Model

Level	Management	Enabling	Delivery
Optimizing	Process Change	Technology Change	Problem
	Management	Management	Prevention
Managed	Quantitative Process		Service Quality
	Management		Management
	Financial Service		
Defined	Management		
	Integrated Service	Organization Process	Service Delivery
	Management	Focus	
		Organization Service	

		Definition
		Organization Process
		Definition
		Training Programme
		Intergroup Coordination
		Resource Management
		Problem Management
Repeatable	Service Commitment	Configuration
	Management	Management
	Service Delivery	Service Request and
	Planning	Incident Management
	Service Tracking and	Service Quality
	Oversight	Assurance
	Subcontract	
	Management	
Initial	Ad-hoc processes	

The key process areas are grouped under three process categories:

1. The first group concerns the management of services.
2. The second category deals with enabling the delivery process by support processes and standardization of processes.

3. The third category consists of the processes that result in the consistent, efficient delivery of services according to the appropriate quality levels.

The key process areas on the IT service capability maturity model (IT services CMM)

For an organization to reside on a certain maturity level, it needs to implement all key processes for that maturity level – and those for lower levels. The term key process merely means that these processes are seen as the key to reach a certain maturity level. There might be more – non-key – processes, but these are not strictly necessary to reach the next maturity level. Below we present the key process areas for each of the maturity levels of the IT Service CMM:

Initial level

The IT service delivery process is characterized as ad-hoc and occasionally even chaotic. Few processes are defined, and success depends on individual efforts or heroics.

Repeatable level

The basic service management processes are established. The necessary discipline is in place to repeat earlier successes on a similar service with similar service levels. The seven key process areas of the S-CMM at the Repeatable level are:

1. Service commitment management

The main purpose of Service Commitment Management is to ensure that the service commitments between the service provider and customer, and, hence, the actual services delivered, are based upon the IT service needs of the customer. The

service commitments specify (among other things) the results from the services to be delivered. These results should contribute to fulfill (parts of) the IT service needs of the customer. The activities within this key process area are targeted at ensuring that the service commitments are based on the IT service needs, and stay in line with possibly changing IT service needs. This is enforced by periodic and event-driven evaluations of the service commitments with respect for the IT service needs, and by periodic and event-driven evaluations of the actual services delivered.

2. Service delivery planning

The key process area Service Delivery Planning has as its main purpose to plan the delivery of services specified in the service commitments. The service-delivery planning includes the planning of service delivery activities and other service-related activities, estimation of resources needed, expected workload, effort and costs; the service-delivery schedule; identification of risks, and plans for service facilities and support tools. In addition, planning data needs to be recorded so that it can be used in the planning of future services.

3. Service tracking and oversight

The main purpose of the Service Tracking and Oversight key process area is to provide information about the actual service delivery. This information is to be used to report actual service levels to the customer and to monitor the actual service delivery and take corrective actions as soon as possible.

4. Subcontract management

The key process area Subcontract Management describes the activities that a service provider – the prime contractor– should implement when (part of) a service, to be delivered to a customer of the prime contractor, is subcontracted to a third party – the service subcontractor. The prime contractor and the service subcontractor negotiate service commitments between each other. The prime contractor remains responsible for the service to be delivered to the customer.

5. Configuration management

The main purpose of the Configuration Management key process area is to establish control over all IT components that are needed to deliver the services.

6. Service request and incident management

The main purpose of the key process area Service Request and Incident Management is to identify record, track, analyses, and resolve service requests and incidents that occur during service delivery. Both service requests and incidents are events that – if not resolved – eventually will cause the IT service provider to break its service commitments. Service requests are requests by the customer for certain service activities to be performed. Note that these activities should fall within the bounds of the service commitments.

For example, the customer asks for an extra workplace to be installed. Incidents are events that need to be resolved in order to meet the service commitments. For example, if a system goes down it has to be restarted before the maximum

downtime is exceeded. Service requests and incidents are always concerned with one or more IT components.

7. Service quality assurance

The main purpose of the key process area Service Quality Assurance is to provide management with the appropriate visibility into the processes being used, and the services delivered. The independent service quality assurance group reviews and audits working procedures, standards, and service delivery activities to see that they comply with the applicable procedures and standards. The results of these reviews and audits are reported to the involved groups and individuals and to senior management. Senior management is responsible for acting upon the results from the service quality assurance activities.

Defined level

The IT service processes are documented, standardized, and integrated into standard service processes. All services are delivered using approved, tailored versions of the organization's standard service processes. At level three, an organization standardizes its processes and uses tailored versions of these standard processes to deliver the IT services. This results in more predictable performance of the processes, and, hence, it increases the ability of the organization to draw up realistic service level agreements. Each of the levels three key process areas fall into one of the three process categories: management, enabling or delivery.

The first category – service management – is concerned with the tailoring of the standard service processes to the customer and the service level agreement at hand.

Furthermore, the actual service processes need to be integrated with each other and with the third party service processes (Integrated Service Management).

The second category – enabling – deals with making standard processes available and usable. The organization develops a set of standard services and describes these services in the service catalogue (Organization Service Definition). The organization develops and maintains standard processes for each of these standard services. Usually, organizations will provide several services to one customer at the same time. Hence, not only the service processes them, but also the integration of these processes has to be standardized as much as is feasible (Organization Process Definition). To coordinate process efforts across services and organizational units and over time, organizational support is institutionalized (Organization Process Focus).

In addition, to teach people how to perform their roles and how to work with the standards, a training program needs to be put in place (Training Programme). Furthermore, means are established for the different groups involved in the service delivery to communicate efficiently and effectively (Intergroup Coordination). The underlying problems of events occurring during different service deliveries are analysed (Problem Management) and resources are negotiated before making service commitments, and monitored during the service-delivery resources management. The third category – service delivery – concerns the actual delivery of the services from the customer using the tailored service processes (Service Delivery). The level three key process areas are described as follows:

1. Organization service definition

Purpose: Develop and maintain a set of standard services in the organization and collect information related to the delivery of these standard services. The description of the standard services is called a service catalogue. This service catalogue contains a specification of the services in terms of benefits for the customer. The service catalogue also includes the service levels that the provider can guarantee and the price of the services. The decision as to what service to include in the catalogue is based on issues external to the IT Service CMM, such as marketing research or contractual obligations (in case of in-house IT service providers). The service catalogue is continuously updated with experience from the actual delivery of services.

2. Organization process definition

Purpose: Develop and maintain a usable set of service process assets that improve the process performance across services, and provide a basis for cumulative, long-term benefits to the organization. This key process area covers the actual development and maintenance of the standard process used to deliver the services defined in the service catalogue.

3. Organization process focus

Purpose: Establish organizational responsibility for service process activities that improve the organization's overall service process capability. This key process area covers the activities needed to assess, develop, maintain and improve the organization's service processes, which are resources and coordinated across

current and future services. A process improvement group is established to coordinate the service process activities.

4. Integrated service management

Purpose: Integrate the service and management activities into a coherent, defined service process that is derived from the organization's standard service process. The service planning is based on this tailored service process and describes how its activities will be implemented and managed. The service planning takes the organization-wide capacity and availability of resources into account. Cooperation is planned with third parties that also deliver IT services or products to the customer. Note that these third parties can be external providers or organizational units of the customer itself. An example of this could be the customer having their own helpdesk, which relays reports of hardware failure to the service provider. Procedures need to be put in place concerning how these reports will be delivered to the service provider and whether the helpdesk or the service provider will inform the user of the status of the report. An example that involves coordination with third parties that deliver products to the customer is software development. Suppose a third party is developing software to the customer who is to be managed and maintained by the service provider. Involvement of the service provider in the development process can ensure that maintenance and management of the software is being sufficiently taken into account during development.

5. Service delivery

Purpose: Consistently perform a well-defined service delivery process that integrates all service-delivery activities to deliver correct, consistent IT services effectively and efficiently. Service Delivery involves the performing of service delivery activities using a tailored version of the services defined service processes (which is the output of the Integrated Service Management key process area). Because the service activities depend on the particular services being provided, there is no fixed list of activities to be performed.

However, all services should perform the activities as defined as the level two key process areas. The list of activities will be filled in depending on the services at hand. For example, in the case of software maintenance, the general service activities will be extended with the software engineering tasks mentioned in the key process area Software Product Engineering of the Software CMM.

6. Inter group coordination

Purpose: Establish means for communication between the different groups involved in delivering the service to the customer.

7. Training program

Purpose: Develop the skills and knowledge of individuals, so they can perform their roles effectively and efficiently. Because a level three organizations use standard processes, it is necessary to train employees to perform their roles. This

is impossible at level two, since standard organization-wide processes are not yet in place.

8. Resource management

Purpose: Control of the resources (hardware and software) needed to deliver the services is maintained. Before commitments are made to customers, resources are checked. If not enough resources are available, either the commitments are adapted or extra resources are installed.

9. Problem management

Purpose: Remove problems from the IT that is managed, maintained or operated by the service provider. This key process area implements the organization-wide investigation of events and weak spots that occur during service delivery. Practices like root-cause analysis are used to determine underlying problems. Problems are solved by changing the infrastructure, the processes or the training.

Managed level

Detailed measurements on the IT service delivery process and service quality are collected. Both the service processes and the delivered services are quantitatively understood and controlled. At a level four, organizations gain a quantitative understanding of their standard processes by taking detailed measures of service performance and service quality (Quantitative Process Management) and by using these quantitative data to control the quality of the delivered services (Service Quality Management). There are two levels and four key process areas:

1. Quantitative Process Management

Purpose: Control the process performance and costs of the service delivery quantitatively.

2. Service Quality Management

Purpose: Develop a quantitative understanding of the quality of the services delivered and achieve specific quality goals.

Optimizing level

Continuous process improvement is enabled by quantitative feedback from the processes and from piloting ideas and technologies. At level five, service providers learn to change their processes to increase service quality and service process performance (Process Change Management). Changes in the processes are triggered by improvement goals, new technologies or problems that need to be resolved.

New technologies are evaluated and introduced into the organization when feasible (Technology Change Management). Problems that occur are prevented from recurring by changing the processes (Problem Prevention). The level five key process areas are:

1. Process Change Management

Purpose: Continually improve the service processes used throughout the organization with the intent of improving service quality and increasing productivity.

2. Technology Change Management

Purpose: Identify new technologies and inject them into the organization in an orderly manner.

3. Problem Prevention

Purpose: Identify the cause of problems and prevent them from recurring by making the necessary changes to the processes.

2.2 The concept of Customer Service Delivery

Loyalty (2008) defines the concept of customer service delivery as the ability of a good or service to meet or exceed buyer needs and expectations. The true measure of quality determines whether business has satisfied its customers. Loyalty (2008) made us understand that a typical business loses half of its customer every five years. The underlying reason for many customer defections is poor service delivery. Honebein (2007) said customer experiences are for competitive differentiation, value creation and identity. While some companies create emotion driven customer experiences that leave an impact on shoppers, others create co – production experiences in which customers are active co – producers.

Loyalty (2008), viewed customer who is complaining as a real blessing in disguise. He or she is someone we can resell”. We can also learn from the Mary Kay experience who exemplified a true American success story. She was seen as a manager Mary Kay products who succeeded at taking a lead in employee motivation customer service and establishment of a general partnership with customer and

employees. She believes that success in business depends on several key factors such as believing in yourself and showing interest in your employees and your customers.

Customers usually face a broad array of products and services that might satisfy a given need. The thing that drives anyone creating genuine value for customers. Nothing happens without a customer, says Jeff Bezos (1989). The relationship with customers is the key to the company's future, customers come first. The customer experience really matters. A company's aim is to deliver a special experience to every customer

Effective customer service delivery with a purchase depends on how well the product's performance lives up to the customer's expectations. Effective customer service delivery is a key influence on future buying behaviour. Satisfied customers buy again and tell others about their good experiences. Dissatisfied customers often switch to competitors and discontinue the product to others. Marketers in organizations or firms must be careful to set the right level of expectations. If they set expectations too low, they may satisfy those who buy but fail to attract enough buyers. If they raise expectations too high buyers will be disappointed. Customer value and effective customer service delivery are key building blocks for developing and managing customer relationship

2.2.1 Customer Service delivery in bank

Onu (2000), observe that effective customer service delivery is a key element that has to be considered. Value is the personal service delivery gained from the use of a good or service. Customers compare the price they pay for a product with all the

benefits that come with it. Some of those benefits exceed what the product can do for them. With this, it is understood that value would include everything that supports services offered to how customers are treated by company personnel. Businesses that regularly deliver value of this type can achieve customer loyalty. Thus, value is not something defined by business; it is defined by customer. A customer's decision to be loyal or defect is the sum of many small encounters with the company. Lois Farese (1997) said today more than a quarter of all companies link the pay of their sales people to effective customer service delivery levels. For example, IBM bases 40% of its sales people's commission on how well they have met customer needs. Despairing is not needed if your initial attempt to close a sale is unsuccessful. You will have many more opportunities particularly if you treat customers with courtesy and respect.

Effective customer service delivery standards are sales returns, Customer complaints, repeat business, and referrals. In a service business, you should come up with a plan that addresses how, when and who will provide the service to your customers. State the services provided by your customers, describe the additional services you will provide and estimate their cost. By analyzing your competitors' expenses and your own expenses for providing a service, you can show how you will price your service without pricing yourself out of the market.

Customer retention is normally the direct result of a high level of effective customer service delivery. Managers involved in service industries or aspects of customer services are beginning to learn that service is a word that matters and not just a useful modifier to distinguish their activity from manufacturing. The link between effective customer service delivery and customer loyalty is not proportional.

Suppose effective customer service delivery is rated on a scale from one to five. At a very low level of effective customer service delivery customers are likely to abandon the company. At levels two and four customers are fairly satisfied but still find it easy to switch when a better offer comes along. At level five, the customer is very likely to repurchase and even spread good word of mouth about the company. High service delivery or delight creates an emotional bond with the brand or company not just a rational preference.

2.3 Review of Previous study on Customer service delivery

In a similar research, Customer Service delivery as strategic competitive option in an Organization: Akin (2005) empirically examine the perceptions of customer to service delivery, he noted in his research that affluent sophisticated consumers can choose from a wide variety of products and services offered by producers or service providers located around the world. As a result, customer relationship in which the sale is only the beginning, are the key strategic resource of the successful 21st century business. As Dartmouth Professor Frederick Webster points out: The new market-driven conception of marketing will focus on managing strategic partnership and positioning the firm between vendors and customers in the value chain with the aim of delivering superior value to the customer. A market – driven firm's overriding purpose is to create happy, loyal customers. Customers, not products, are the lifeblood of the business. The realization has created a new trend away from simple transactional marketing to Relationship marketing. This could be seen as creating, maintaining and

enhancing long – term relationships with customers and other stakeholders that result in exchanges of information and other things of mutual value.

Arens (2009) et al, in their paper “the impact of relationship market in the banking industry” observed that the ultimate outcome of relationship marketing is the building of a unique company asset called a marketing network. The development of strong relationships requires an understanding of the capabilities and resources of different groups as well as their needs, goals and desires. A growing number of today’s companies are now shaping separate offers, services, and messages to individual customers. These companies collect information on each customer’s past transaction, demographics, psychographics and media and distribution preferences. They hope to achieve profitable growth through capturing a larger share of each customer’s expenditures by building high customer loyalty and focusing on customer lifetime value.

Today, customers are large and often global. They prefer suppliers who can sell and deliver a coordinated set of products and services to many locations, who can quickly solve problems that arose in different locations and who can work closely with customer teams to improve products and processes.

When a relationship management program is properly implemented, the organization will begin to focus as much on managing its customers as on managing its products. At the same time, companies should realize that while there is a strong and warranted move towards relationship marketing, it is not effective in all situations. Ultimately, companies must judge which segment and which specific customers will respond profitably to relationship

management. According to Williams F. Arens (1999) the importance of relationship marketing are as follows:

To succeed, companies must focus on managing loyalty among carefully chosen customers and stakeholders (employees, centres of influence, stakeholders, the financial community and the press). This is important for a number of reasons:

1. **The cost of lost customers:-** No amount of advertising is likely to win back a customer lost from shoddy product or poor service. The real profit lost is the customer's lifetime value to a firm.
2. **The cost of acquiring new customers:** - Defensive marketing typically cost less than offensive marketing because it requires a great deal of effort to lure satisfied customers away from competitors. The fragmentation of media audiences and the resistance of sophisticated consumers to advertising messages make it increasingly difficult to break out of the ghetto of advertising clutter by stepping up the advertising volume. Infact, it cost five to eight times as much in marketing advertising and promotion to acquire a new customer.
3. **The value of loyal customers:** - Lester Wunderman, the founder of Cato Wunderman Johnson (the second largest direct-response agency in the world) says that 90% (percent) of a manufacturer's profit comes from repeat purchasers; only 10% (percent) comes from trials or sporadic purchasers. Reducing customer defections by even 5% (percent) can improve profit potential by 25% (percent) to 28%. And the longer customers stay with a company, the more willing they are to pay premium prices, make referrals,

increase their annual buying and the less hand - holding they need (Farese 2000).

Bezos (2010) in a self administered questionnaire to 40 respondents in Cadbury Nigeria Plc observed that an overwhelming proportion of most businesses are conducted with repeat customers. They place a premium on the importance of customer retention. Retention can be achieved by offering special benefits to loyal customers effectively rewarding and thanking them for past business and providing an incentive. Frequent flyer miles are given as incentives for customer loyalty usually for its honour members, offering free overnight stays to customers that provide repeat business. Thus, a company's first market should always be its current customers. In the past, most marketers and advertising effort focused on presale activities aimed at acquiring new customers. But today sophisticated marketers are shifting more of their resources to post sale activities, making customer retention their first line of defence. They have discovered the primary benefit of relationship.

From the above empirical literature reviewed it is observed that customer service delivery is very important in the marketing of products and service

2.4 Information Technology Infrastructure

Berkowitz (2009) observed that, the world is a global village. It is due to the global state of the world that business became such an organic economic activity aimed at producing goods and services. In this light of this organic nature of business, it constantly changes with improvement in science and technology. Business men and

women have seen the need to also change their mode of carrying out business activities in order to keep abreast with the current practice and to effectively face the constant and new challenges experienced or the business.

This growing expectation challenges prompt the business community into evolving means to smoothen the performance of business. There are number challenges of business. These challenges are characterized by the constant changes in trade of customer as well as the competition in the business circle by other competitors all towards achieving or controlling the patronage of the majority of the customer in the entire industry.

According to Nwukw (1998) an article written on 29th September, which says that many bank in the past has strive to improve their counter services and reduce to the minimum, the waiting time for such service by employing more staff to cope with increasing number of customers.

But this did not yield much result with the advent of information technology banks, like all state bank head office has been able to automate some aspect, if not all their operation and this has resulted to lower cost in terms of paid salaries to staff and wasting of customer. With the help of information technology in the all state bank, according to information systems, the decision making proves, loans and credit evaluations and other banking services have been very efficient. The all states bank head office having realized the existence in the competitive economy depends on the level of information technology adopt it protectively. That the range of information technology adopted by all states bank must be determined by the peculiarity of its customer.

Thus, to compete favorably and effectively in the work of today's complex business environment, the business has to keep itself abreast with the dynamic changes and also adopt new methods currently practiced all over the world, i.e. by most successful businesses. To this end this research work is set to study and research on "using management information system (MIS) to improve customer service and growth in the banking industry."

Information technology is an entrepreneurial activity that information as a corporate resource should be managed and it greatly increases the opportunities that are available.

The operation of most banks in Nigeria are done manually with the aid of a calculator and writing machine. The banks do not recognize computers in their operations. The data processing and execution of transactions as well as their entire system for the proposed record keeping are all done manually. The waiting time for bank services has led to frustration and dissatisfaction of quite a number of customers.

Another big problem facing the banking sector today is fraud, which has established the banking sector to the point of lack of confidence from the average customer. Most banks do not put their customers in the prime place as they supposed to be. These are new keen competition and to compete means to apply the marketing of information technology.

This has on the other hand created negative patronage from public saving and other transactions through the bank which resulted in loss of revenue. For the bank as well as how the implementation process should be to achieve an effective computation

of the bank so as to achieve greater participation by customer for the overall interest of customer and their bank as a whole. This study is aimed at researching on the effect of information technology on the marketing of banking services.

2.4.1 Review of Previous study on IT

In the research, carried out by Isah, (2001), on the impact of IT infrastructure on the performance of business, concluded that the IT revolution has set the stage for unprecedented increase in financial activities across the globe. The progress of technology and the development of worldwide networks have significantly reduced the cost of global funds transfer. Advancements in technology have also led to improvements in the ways in which banks process information. Technology has opened up new markets, new products, new services and efficient delivery channels for the banking industry. It is information technology which enables banks in meeting such high expectations of the customers who are more demanding and are also more techno - savvy compared to their counterparts of the yester years. Customers demand instant, anytime and anywhere banking facilities. Banks are increasingly interconnecting their computer systems not only across the branches in a city but also to other geographic locations with high speed network infrastructure, and setting up local area and wide area networks and connecting them to the Internet. Technology has brought various products like net banking, credit card online, mobile banking, online payment of excise & service tax, phone banking, bill payment, shopping, ticket

booking, railway ticket booking through SMS, smart money order, card to card funds transfer, funds transfer (e-cheques), anywhere banking, internet banking, mobile banking etc. Core Banking Solutions is new jargon frequently used in banking circles. The advancement in technology especially internet and information technology has led to new ways of doing business in banking. These technologies have cut down the time and facilitate working simultaneously on different issues and increasing efficiency. It allows the user (customers) to operate accounts from any branch if it has installed core banking solutions.

This new platform has changed the way of working in the banks. Nigerian banking industry, today is in the midst of an IT revolution. Direct deposit allows Companies and Governments to electronically transfer the payments into various accounts. Debit cards which can also be used as ATM cards, instantaneously deduct money from an account when the card is swiped across a machine. Electronic banking by phone or computer allows customers to access information such as account balances and statement history, pay bills and transfer money from one account to another. Advancements in technology have also led to improvements in the ways in which banks process information. The progress of technology and the development of worldwide networks have significantly reduced the cost of global funds transfer.

2.4.2 Application of IT in banking industry

Farese (2007), observed that technology has become a powerful force that drives the world toward a converging commonality, (Levitt, 1992). Since the outset of the human era, technology has been one of the most essential and most important

ingredients that facilitate the development of mankind. (Coombs et al, 1987). During the last two centuries, technological changes have often been related to economic growth in the form of new types of goods and services. Smith (1776) first wrote about technical changes in the form of new machines as one of the three important causes of increasing incomes more than two hundred years ago. One question that easily comes to mind is “does the use of information technology has any effect on the operations of banks in Nigeria. The objective of this study therefore is to examine whether or not information technology has any effect on the daily operations of banks in Nigeria. Information technology (IT) has been defined as the study, design, development, implementation, support or management of information systems, ICAN (2008). *Information technology* is a general term that describes any technology that helps to produce, manipulate, store, communicate, and/or disseminate information, Adelman (2000). Ige (1995) also defined IT as the modern handling of information by electronic means, which involves its access, storage, processing, transportation or transfer and delivery. Research shows that IT affects financial institutions by easing inquiry, saving time, and improving service delivery (Alu, 2002). IT also provides solutions to the needs of modern society in health care delivery, library services education and communication networks within organizations.

Gronroos (2002), Some available information technologies used by banks include telephone, facsimile, wireless radiophones, very small aperture terminal satellite (VSAT), telegraphy, and computer systems (Ugwu, 1999). Alu (2002) further reported that banks in Nigeria have Local Area Network (LAN) in most of their branches. Presently, banks most in Nigeria have Wide Area Network (WAN)

connections. It is incontrovertible that the banking system is the engine of growth in any economy, given its function of financial intermediation. Through this function, banks facilitate capital formation, lubricate the production engine turbines and promote economic growth, (Adeyemi 2006). However, banks' ability to engender economic growth and development depends on the health, soundness and stability of the system. The need for a strong, reliable and viable banking system is underscored by the fact that the industry is one of the few sectors in which the shareholders' fund is only a small proportion of the liabilities of the enterprise

Due to increasing demand for customers' deposits, Nigerian banks have realized the importance of good and prompt customer service. Furthermore, due to the fact that some customers lost their deposits in in the erstwhile distressed banks, customers have now become wiser, more discerning, alert and sophisticated with regards to choosing where it is safe to put their money, and where they would be services promptly, preferably in a pleasant, courteous and friendly environment. Thus, they have started looking at the level of service and professionalism of the banks before depositing their funds.

In Nigeria today, proximity to the bank is no longer the issue, as there are banks almost everywhere. The issue is that which concerns safety and level of service, with regard to quality, speed and efficiency. On the part of the banks, they have realized that one way in which they can provide quality service is through the use of technology. Hence, there is a growing rate of adopting new technologies in Nigerian banking operations. Moreover, there is the growing evidence that customers have

started associating quality service in a bank with the bank's possession of an on-line, real-time system. As a matter of fact, possession of such a system is now judged to be sine qua non of a high quality service in Nigeria. So, for a bank to be perceived as providing high quality service, that bank has to have an IT system, which it uses to deliver services to customers in a more timely, friendly and considerate manner, at no extra cost to the customers.

2.4.3 The impact/effect of IT on Customer Service delivery in banks

Honebein (2007), For many organizations, the increasing availability of technologies has shown an ambiguity in their management. The management and support of these complex and heterogeneous environments -full of different PCs, desktops and laptops, mobile and wireless devices, printers, networks and applications- have demonstrably proven difficult and expensive for the departments of Information Technology.

According to OECD (2002), the Information and Communication Technologies (ICTs) play important and growing role in world economy, and companies, industries and governments are getting increasing benefits from their continuous investments in ICTs, as well as from a wider use of the Internet in a knowledge-based economy. ICTs have stimulated innovation in services, increased the efficiency of production and creation, and at the same time, facilitated the management of inventories and administrative costs. It was a catalyst of changes in companies, improving the organization of work, helping companies to reduce the cost of their routine transactions and streamlining their supply chains. So crucial, ICTs, especially when

associated with the raise of the level of skills and organizational change, apparently seem to support the improvement of productivity within enterprises, both in new sectors and in traditional branches. Such benefits have long term effects and will continue to develop, despite the difficulties and challenges with which companies are facing today.

Many new applications of Information and Communication Technologies have a potential meaning and may have economical and social impacts, as well as a key role in the bonding and in the convergence of the various technologies. Among these emerging technologies are the ubiquitous networks, which enable monitoring of people and objects as well as tracing, storing and processing of information in real time. Applications such as radio frequency identification (R.FID) and other technological sensors are being used in applications for commercial use. The technology of prevention and warning of natural disasters are becoming more important for reducing the impacts of disasters which result in large economic losses. The participatory Web (Web 2.0) is the active participation of users on the Internet, creating contents, they adapt the Internet and develop applications for a wide variety of fields. The digital content represents an important factor in the ICT industry. Technological innovation and demand of new consumers are leading to new forms of creation, distribution and access to digital content. The convergence in applications such as convergence of nanotechnology, biotechnology, neurotechnology, robotics and information technology, probably, will provide more opportunity and challenges for companies operating in the sector (OECD, 2006). Based on this scenario, this article proposes to examine the critical factors that should be considered

by technology-based companies in managing the lifecycle of their resources for information technology with a focus on organizational performance.

As from the World Summit on the Information Society (WSIS) held in Geneva in 2003, countries and regions were invited to develop tools to measure and monitor progress toward the "information society", including basic indicators of information and communication technology - ICT. The summit marks the start of a geopolitical process led by the United Nations and the International Telecommunication Union. Therefore, a crucial period in terms of multilateral negotiations that might lead to a new level of global governance of digital networks, guided by the quality of the indicators of inclusion, digital access or connectivity (FAPESP, 2004). Digital convergence among telephony, Internet and telecommunications (radio and TV) foresee changes of great magnitude and depth not only in behaviors and human institutional relations, but also in the patterns of connection among the infrastructures of all sectors of the economic social life. "These changes have as a determining factor the development of information communication technologies operated by means of interactive digital networks" (FAPESP, 2004).

In a search of measurement held by the United Nations (UN) in 2004, 179 countries received the questionnaire. In Latin America and the Caribbean, more than half of the twenty countries surveyed have no formal definition for ICT; six countries implemented some sort of definition and there are developing one (UN, 2005). According to the report, Information Technology (IT) can be summarized as a set of all activities and solutions provided by computing resources and, with

applications related to several areas. Information Technology is also commonly used to denote the set of non-human resources dedicated to storage, processing and communicating information as well as the mode of how these resources are organized in a system capable of executing a set of tasks. IT is not limited to equipment (hardware), software (software) and data communications. There are technologies for the planning of Computing, for the development of systems, for the support, for the software, for the processes of production and operation and for the support of hardware. The acronym IT covers all activities developed in society by using the resources of computers. Living in the scenario of research and development of ICTs, the perception of the revolutionary character and a unique set of problems in the field of measurement, interpretation and, therefore, decision-making (FAPESP, 2004). Comparative statistics on access and use of ICT are critical to the formulation of policies and strategies for the growth of ICT, aiming at social inclusion and cohesion to monitor and assess the impact of ICT on the economic and social development (UN, 2005).

2.5 Underpinning theory of I.T. and Customer Service Delivery

Affect theory

Edwin A. Locke's Range of Affect Theory (1976) is arguably the most famous job customer service delivery theory. The main premise of this theory is that service delivery is determined by a discrepancy between what one wants in a job and what one has in a job. Further, the theory states that how much one values a given facet of

work (e.g. the degree of autonomy in a position) moderates how satisfied/dissatisfied one becomes when expectations are/aren't met. When a person values a particular facet of a job, his service delivery is more greatly impacted both positively (when expectations are met) and negatively (when expectations are not met), compared to one who doesn't value that facet. To illustrate, if Employee A values autonomy in the workplace and Employee B is indifferent about autonomy, then Employee A would be more satisfied in a position that offers a high degree of autonomy and less satisfied in a position with little or no autonomy compared to Employee B. This theory also states that too much of a particular facet will produce stronger feelings of dissatisfaction the more a worker values that facet.

Dispositional theory

Another well-known effective customer service delivery theory is the Dispositional Theory. It is a very general theory that suggests that people have innate dispositions that cause them to have tendencies toward a certain level of service delivery, regardless of one's job. This approach became a notable explanation of service delivery in light of evidence that service delivery tends to be stable over time and across careers and jobs. Research also indicates that identical twins have similar levels of job satisfaction.

A significant model that narrowed the scope of the Dispositional Theory was the Core Self-evaluations Model, proposed by Timothy A. Judge, Edwin A. Locke, and Cathy C. Durham in 1997. Judge et al. argued that there are four Core Self-evaluations that determine one's disposition towards job satisfaction: self-esteem, general self-

efficacy, locus of control, and neuroticism. This model states that higher levels of self-esteem (the value one places on his/her self) and general self-efficacy (the belief in one's own competence) lead to higher work satisfaction. Having an internal locus of control (believing one has control over her\his own life, as opposed to outside forces having control) leads to higher job satisfaction. Finally, lower levels of neuroticism lead to higher job satisfaction.

Opponent process theory

According to opponent process theory, emotional events, such as criticisms or rewards, elicits two sets of processes. Primary processes give way to emotions that are steady with the event in question. Events that seem negative in manner will give rise to the feelings of stress or anxiety. Events that are positive give rise to the feeling of content or relaxation. The other process is the opponent process, which induces feelings that contradict the feelings in the primary processes. Events that are negative give rise to feelings of relaxation while events that are positive give rise to feelings of anxiety. A variety of explanations have been suggested to explain the uniformity of mood or satisfaction. This theory shows that if you try to enhance the mood of individual it will more likely fail in doing so. The opponent process theory was formulated to explain these patterns of observations.

Discrepancy theory

The concept of discrepancy theory explains the ultimate source of anxiety and dejection. An individual, who has not fulfilled his responsibility feels the sense of

anxiety and regret for not performing well, they will also feel dejection due to not being able to achieve their hopes and aspirations. According to this theory, all individuals will learn what their obligations and responsibilities for a particular function, over a time period, and if they fail to fulfill those obligations then they are punished. Over time, these duties and obligations consolidate to form an abstracted set of principles, designated as a self-guide. Agitation and anxiety are the main responses when an individual fails to achieve the obligation or responsibility. This theory also explains that if achievement of the obligations is obtained then the reward can be praise, approval, or love. These achievements and aspirations also form an abstracted set of principles, referred to as the ideal self guide. When the individual fails to obtain these rewards, they begin to have feelings of dejection, disappointment, or even depression.

Two-factor theory (motivator-hygiene theory)

Frederick Herzberg's Two-factor theory (also known as Motivator Hygiene Theory) attempts to explain service delivery and motivation in the workplace. This theory states that service delivery and dissatisfaction are driven by different factors – motivation and hygiene factors, respectively. An employee's motivation to work is continually related to service delivery of a subordinate. Motivation can be seen as an inner force that drives individuals to attain personal and organizational goals (Hoskinson, Porter, & Wrench, p. 133). Motivating factors are those aspects of the job that make people want to perform, and provide people with satisfaction, for example achievement in work, recognition, promotion opportunities. These motivating factors

are considered to be intrinsic to the job, or the work carried out. Hygiene factors include aspects of the working environment such as pay, company policies, supervisory practices, and other working conditions.

While Herzberg's model has stimulated much research, researchers have been unable to reliably empirically prove the model, with Hackman & Oldham suggesting that Herzberg's original formulation of the model may have been a methodological artifact. Furthermore, the theory does not consider individual differences, conversely predicting all employees will react in an identical manner to changes in motivating/hygiene factors. Finally, the model has been criticised in that it does not specify how motivating/hygiene factors are to be measured.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The purpose of this chapter is to discuss the methods of investigation followed. The chapter contains relevant facts concerning the research design, population of the study; as well as the analysis of data and justification for research methods used.

3.2 Research Design

The methodology applied or employed by the researcher is survey research method. The method calls for identifying the problem facing relevant issues and aim at discovering why certain events, situations or phenomena occur. To enable the researcher to make a choice of research method that is appropriate to his problem of study, the researcher requires a thorough knowledge of the basic methods of research that are available. The methods include;

- **Descriptive Research**

This types of research method as the name implies attempts to describe a situation or phenomenon. Descriptive research seeks to find out the conditions or relationship that exist opinions that are evident or trends that are developing (Osuala, 2001). It gives a picture of the starting and finishing points either quantitatively or by general analysis. Descriptive research involves the collection of first hand information and data from primary source by the researcher. This can be done either by observation or inquiring through the use of questionnaires and by interviews.

Sampling design

This type of research obtains data to determine specific characteristics of a population or universe. Data are collected from the population for intensive study and analysis. More often than not the researcher finds that he cannot possibly study all the subjects or items in the population. Hence survey research selects a sample from a subset of the population using some techniques of sampling. The manner of selecting the sample will determine the ability of the researcher to generalize his findings from the whole population or universe. For the purpose of this study survey research is adopted.

3.3 Population of the Study

The research was conducted to evaluate the Effects Of Information Technology (It) Infrastructure On Customer Service Delivery Of Stanbic IBTC Bank On North West Region. The population of the study consists of the Staff of Stanbic IBTC in the North West region, the population is therefore 1207. (NSE fact book 2012)

3.4 Sample Size and Sample Technique

Sample size refers to the element that has been selected to represent to entire population. But it possesses most characteristics of the population for the purpose of this research, the researcher uses Yamane (1968) sample size formula for calculating sample size:

$$S = \frac{N}{1 + N(e)^2}$$

3.5 Data Collection Strategy

For the purpose of this study, data was collected through primary and secondary sources of data.

The primary sources of data use is

- i. Questionnaire

Questionnaire: - The questionnaire, a primary instrument of collecting data, was administered on the sample size selected from the population.

A well structured questionnaire was administered on the management and staff of the firm, and customers who patronize this Organization for the research. This has been attached at the end of the work under Appendix.

Secondary Sources: - Data was also collected using secondary sources of data. Examples of instruments used are textbooks, seminar papers, flyers, dictionary, customer leaflets, internet materials, and unpublished project work etc.

3.6 Measurement instrument and operationalization of variables

There are two variables for the study i.e the independent variable and the dependent variable.

3.6.1 Independent Variables

The independent variable is information technology. Information technology is a very important variable that determine the validity of a research. In this study the dependent variable (customer service delivery) depends of the independent variable (information technology).

3.6.2 Dependent Variable

The dependent variable is customer service delivery. The dependent variable in this study is customer service delivery.

3.7 Validity test of instrument measures

For the purpose of this study, the analysis of the returned questionnaires was based on simple descriptive analysis of frequency distribution of relevant statistical information supplemented by percentage. This is because of its simplicity, clarity and relevant to our data.

3.8 Reliability test analysis of construct

The choice of method used is driven by its simplicity, accuracy and the ability to stand the test of time. This method has been proven over decades by the researchers to be effective and efficient in related studies.

3.9 Data analysis method

Finally, chi-square and analysis by percentages were adopted as method of data analysis to this research. The former (chi-square) was used because it shows how well assumed theoretical distribution fact to the observed data. Also as a test of independence, it enables the researcher to explain whether or into two variables attributes are truly independent. While the later (analysis by percentage) also was used because they simply numbers, reducing all forms of number to range 0-100. The data are produced in standard form will base equal to 100, which facilitates relative

comparisons. In this study, percentage is regarded more appropriate in determining the number of respondents that were in agreement or disagreement with the questions asked.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 INTRODUCTION

This chapter contains data analysis and presentation according to questionnaire administration. The chapter employs statistical tools of analysis such as Frequency distribution table, percentages and chi-square analysis.

Three hundred and twenty (320) copies of the questionnaire were duly filled and returned. Therefore, analysis was done on the basis of questionnaires returned.

4.2 DATA PRESENTATION AND ANALYSIS

This section is concerned with the presentation and analysis of the data obtained from the questionnaire.

Table 4.1 Gender Distribution

Sex	Frequency	Percent (%)
Male	192	60
Female	128	40
Total	320	100

Source: Field Survey, 2014

From the table 4.1 above, the number of male respondents is represented by 60% while the female were 40%. This shows that the male respondents are more than female respondents in the study.

Table 4.2: Age Distribution

Age	Frequency	Percent (%)
20-30 years	100	31.25
31-40 years	120	37.50
41-50 years	60	18.75
50 and above	40	12.50
Total	320	100

Source: Field Survey, 2014

From the table 4.2, age distribution of the respondents shows that 31.25% falls between 20-30 years old, 37.5% are within the 31-40 age range, while 18.75% are within 41-50 Years and 12.50 are 50 Years and above. This shows that in the population, the respondent that falls between 31-40 years has highest percentage in the study.

Table 4.3: Description of Respondents job title

Status	Frequency	Percent (%)
Executive		
Director/Senior Manager	116	36.25
SM/MGR	76	23.75
DGM/AGM	88	27.5
HOD	40	12.5
TOTAL	320	100

Source: Field Survey, 2014

Table 4.3 above shows that 36.25% of the respondents belong to EX/SM level, 23.75% belong to SM/MGR level, 27.5 belong to the DGM/AGM category and 12.5 belong to the HOD category.

Table 4.4:Information technology has significant effect on customer service delivery

RESPONSE	FREQUENCY	PERCENT (%)
Strongly Agreed	48	15.0
Agreed	104	32.5
Undecided	16	5.0
Disagreed	88	27.5
Strongly Disagreed	64	20
TOTAL	320	100

Source: Field Survey, 2014

From the above table, 15% of the respondents were strongly agreed that information technology has significant effect on customer service delivery 32.5% agreed, 5% were undecided, and 27.5% disagreed while 20% of the respondents were strongly disagreed. This shows that information technology has significant effect on customer service delivery.

Table 4.5: Thereis genuine motive behind the adoption of information technology in the banking industry

RESPONSE	FREQUENCY	PERCENT (%)
Strongly Agreed	112	35
Agreed	88	27.5
Undecided	8	2.5
Disagreed	52	16.25
Strongly Disagreed	60	18.75
TOTAL	320	100

Source: Field Survey, 2014

From the above table 4.5, 35% of the respondents strongly agreed that thereis genuine motive behind the adoption of information technology in the banking industry, 27.50 % agreed, 2.5% were undecided, 16.25 disagreed and 18.75% of the respondents strongly disagreed. This implies that majority of the respondent strongly agree that thereis genuine motive behind the adoption of information technology in the banking industry.

Table 4.6: Information technology infrastructure affect the performance of banking industry

RESPONSE	FREQUENCY	PERCENT (%)
Strongly Agreed	112	35
Agreed	84	26.25
Undecided	20	6.25
Disagreed	44	13.75
Strongly Disagreed	60	18.75
TOTAL	320	100

Source: Field Survey, 2014

From the above table 4.6, 35% of the respondents strongly agreed that information technology infrastructure affect the performance of banking industry, 26.25% agreed, 6.25% were undecided, 13.75% of the respondents disagreed While 18.75% of the respondents strongly disagreed. This implies that majority of the respondent strongly agree with the statement that Information technology infrastructure affect the performance of banking industry

Table 4.7: The rating of information technology infrastructure in the banking industry

RESPONSE	FREQUENCY	PERCENT (%)
Very High	44	26.25
High	108	33.75
undecided	12	3.75
Low	48	15
very Low	68	21.25
TOTAL	320	100

Source: Field Survey, 2014

From the table 4.7 above, 26.25% of the respondents are of the opinion that the rating of information technology infrastructure in the banking industry is very high 33.75% support high, 3.75% were undecided, 15% support low while 21.25% of the respondents are of the opinion that the rating of information technology infrastructure in the banking industry is high

Table 4.8: The relationship between information technology infrastructure and customer service delivery of the bank

RESPONSE	FREQUENCY	PERCENT (%)
Highly Satisfactory	104	32.5
Satisfactory	48	27.5
Undecided	8	2.5
Not satisfactory	52	16.25
Totally unsatisfactory	68	21.25
TOTAL	320	100

Source: Field Survey, 2014

From the above table 4.8, 32.5% of the respondents rate information technology infrastructure and customer service delivery of the bank as highly satisfactory, 27.5%

rate it satisfactory, 2.5% were undecided, 16.25% said it is not satisfactory and 21.25% of the respondents said it is totally unsatisfactory. This implies that majority of the respondent rate information technology infrastructure and customer service delivery of the bank as highly satisfactory.

Table 4.9: Customerservice delivery is effective in the Organization

RESPONSE	FREQUENCY	PERCENT (%)
Strongly Agreed	116	36.25
Agreed	96	30
Undecided	16	5
Disagreed	40	12.5
Strongly Disagreed	52	16.25
TOTAL	320	100

Source: Field Survey, 2014

From the above table 4.9, 36.25% of the respondents strongly agreed that Customerservice delivery is effective in the Organization, 30% agreed, 5% were undecided, 12.5% disagreed while 16.25% of the respondents strongly disagreed to the fact. This implies that majority of the respondent strongly agreed that Customerservice delivery is effective in the Organization.

Table 4.10: Customerservice delivery improve the IT infrastructure of the Organization

RESPONSE	FREQUENCY	PERCENT (%)
Strongly Agreed	116	24.17
Agreed	96	21.67
Undecided	20	4.17
Disagreed	40	26.67
Strongly Disagreed	48	23.32
TOTAL	320	100

Source: Field Survey, 2014

From the above table 4.10, 24.17% of the respondents strongly agreed that Customerservice delivery improve the IT infrastructure of the Organization, 21.67% agreed, 4.17% were undecided, 26.67% of the respondents disagreed and 23.32% of the respondents strongly disagreed to this fact. This implies that majority of the respondents strongly agreed to the fact that customerservice delivery improve the IT infrastructure of the Organization.

4.3TEST OF HYPOTHESIS

The simple regression is used to test the hypothesis, which is used to model the relationship between a single response variable, y , and a single exploratory variable, x , the model is

$y_i = \beta_0 + \beta_1 x_i + \varepsilon_i$ where (x_i, y_i) , $i = 1, \dots, n$ are the sample values of the responses and explanatory variables and ε_i , random disturbance terms assumed to be normally distributed with zero and variance σ^2 .

The intercept parameter, β_0 , the value predicted for the responses variable when the explanatory variables take zero.

The slope of parameter, β_1 , is the change in the responses variable predicted when the explanatory variable is increased by one unit. The parameters, also known as regression coefficients, can be estimated by least square.

STATEMENT OF HYPOTHESIS

H_0 : There is no significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region

H_1 : There is significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region

Regression

Table 4.2.24 Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	Y ^a		. Enter

a. All requested variables entered.

b. Dependent Variable: X

Regression

Table 4.2.24 Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	Y ^a		. Enter

Table 4.2.24 Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.987 ^a	.975	.970	1.19775	.975	195.353	1

a. Predictors: (Constant), Y

b. Dependent Variable: X

Table 4.2.25 ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	280.256	1	280.256	195.353	.000 ^a
	Residual	7.173	5	1.435		
	Total	287.429	6			

a. Predictors: (Constant), Y

b. Dependent Variable: X

Table 4.2.24 Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	
1	.987 ^a	.975	.970	1.19775	.975	195.353	

a. Predictors: (Constant), Y

b. Dependent Variable: X

Table 4.2.25 ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	280.256	1	280.256	195.353	.000 ^a
	Residual	7.173	5	1.435		
	Total	287.429	6			

a. Predictors: (Constant), Y

b. Dependent Variable: X

Table 4.2.26 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	59.472	1.621		36.684	.000			
	Y	-.958	.069	-.987	-13.977	.000	-.987	-.987	-.987

a. Dependent Variable: X

Table 4.2.27 Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	27.8616	46.0617	37.7143	6.83442	7
Residual	-.86155	2.39102	.00000	1.09339	7
Std. Predicted Value	-1.442	1.221	.000	1.000	7
Std. Residual	-.719	1.996	.000	.913	7

Interpretation of result: the resulting SPSS output tables are shown in the tables above. The value of the regression coefficient is 0.987; indicate that there is significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region as predicted by the model. In terms of variability in the level of the relationship between IT infrastructure and IT infrastructure as fitted in the model is amount to a proportion of $R^2 = 0.975$ or 97.5%. The regression is clearly significantly significant ($F(1, 5) = 195.353, p < 0.001$).

Therefore, base on the above result the null hypothesis which state that H_0 : There is no significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region, and accept the alternative hypothesis which state that H_1 : There is significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region.

4.4 SUMMARY OF THE FINDINGS

The following are the summary of findings

- i. There is significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region.
- ii. Information Technology (IT) infrastructure is not effective and this affect the customer service delivery of Stanbic IBTC.
- iii. Information Technology (IT) has wide acceptance, the government should work towards improving it in order to improve customer service delivery in the banking industry.

- iv. IT infrastructure development is very low in Nigeria and therefore should be improved so as to improve customer service delivery.
- v. Government does not make any contribution in strengthen the relationship between IT infrastructure and the customer service delivery of the bank.

CHAPTER FIVE

SUMMARY, CONCLUSION RECOMMENDATION

5.1 SUMMARY

This study is an empirical assessment of the effects of information technology (IT) infrastructure on customer service delivery of Stanbic IBTC bank on North West Region. Chapter one of the study attempts to give the background of the study and the problems associated with the study. Chapters two reviews the related literature. Chapter three lists the method and source of data collection. Primary and secondary source of data were used.

Data were presented and analysed in chapter four. SPSS was used for the test of formulated hypotheses. The study involved the use of questionnaire aimed at testing the hypotheses. The key findings are There is significance relationship between IT infrastructure and customer service delivery of Stanbic IBTC Bank in North West Region, Information Technology (IT) infrastructure is not effective and this affect the customer service delivery of Stanbic IBTC, Information Technology (IT) has wide acceptance, the government should work towards improving it in order to improve customer service delivery in the banking industry, IT infrastructure development is very low in Nigeria and therefore should be improved so as to improve customer service delivery and government does not make any contribution in strengthen the relationship between IT infrastructure and the customer service delivery of the bank. Recommendations and conclusion were made in this chapter to the banking industry on the way to improve IT infrastructure and customer service delivery of the bank.

5.2 CONCLUSION

Information technology infrastructure has a great effect on customer service delivery in the banking industry. Customer is the pivot in marketing. Customer behavior and customer service delivery plays a good role in marketing set-up. Everything depends up on the behavior of customers. Bank must find out the needs and wants of customers first and then set up product features based on this. It is not easy to change the attitude of customers and induce them to buy a product. It is a difficult task to force them to change the attitude of customers. But customer's preference may vary from one customer to another. It depends on the features of a product and other factors. Customer service delivery has a vital role in marketing, the knowledge of what customers need, want and expect is a central concern of a bank focused on customer satisfaction.

5.3 RECOMMENDATIONS

The researcher recommends the following thus:

- vi. Information Technology (IT) infrastructure should be strengthened so as to foster customer service delivery of Stanbic IBTC.
- vii. Since the information technology has wide acceptance, the government should work towards improving it in order to improve customer service delivery in the banking industry.
- viii. Serious measure should be taken as regards to IT infrastructure development so as to improve customer service delivery.

- ix. Finally, it is hoped that this noble recommendation will be considered, as it will enhance performance and efficiency in the banking industry.
- x. Government should try and strengthen the relationship between IT infrastructure and the customer service delivery of the bank.

5.4 LIMITATION OF THE STUDY

The limitations of the study include:

- i) Some strategies are kept away from the researcher on the grounds that they are tagged company's confidential matters.
- ii) There is reluctance in the dissemination of information by the population of the study. Thereby slowing down the pace of the study.

However, this does not render the study irrelevant as the only information made available are enough to generalize the outcome of the research work.

5.5 SUGGESTION FOR FURTHER RESEARCH

In undertaking research of this nature, one cannot boast of adequate coverage due to limited time frame, finance and changing nature of work environments. In the light of the above, the followings were suggested for further research:

- a. IT infrastructure in the banking industry
- b. Effects of ineffective IT infrastructure
- c. IT infrastructure and Customer Service Delivery
- d. IT infrastructure and corporate image.

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APPENDIX

**THE EFFECTS OF INFORMATION TECHNOLOGY
(IT)INFRASTRUCTURE ON CUSTOMER SERVICE DELIVERY OF
STANBIC IBTC BANK ON NORTH WEST REGION**

Department of Business Administration,
Ahmadu Bello University,
Kongo Campus,
Zaria,
Kaduna State.
21st October, 2014.

Dear Sir/Madam,

I am a Postgraduate Student of Department of Business Administration, Ahmadu Bello University, Zaria. As part of the requirement for the award of Master of Business Administration (MBA), I am undertaking a research on “The Effects Of Information Technology (IT) Infrastructure On Customer Service Delivery Of Stanbic IBTC Bank On North West Region”

I am soliciting for your cooperation to kindly answer the questions attached here with. All information would be treated confidentially and would be used for academic purpose only.

Yours faithfully,

Nura Mohammed

Direction

Please kindly tick { } in the appropriate answer

Gender	
Male { }	female { }
Age of Respondents	
20-30	{ }
31- 40	{ }
41- 50	{ }
50 and above	{ }
Which category best describe your organization	
Commercial bank { }	Primary mortgage { }
Microfinance bank { }	
Which of the following describe your job title?	
Executive Director/Senior Manager { }	SM/MGR { }
Deputy General manager/AGM { }	HOD { }

The following describe statement about the factors of bank's I.T infrastructure. Please indicate the extent to which you agree or disagree with the statement based on the scale provided

Strongly disagree	Disagree	Slightly disagree	Slightly agree	agree	Strongly agree
1	2	3	4	5	6

Statement

Level of agreement

	1	2	3	4	5	6
1) Information Technology has significant effect of customer service delivery						
2) There is genuine motive behind the adoption of information technology in the banking industry						
3) Information technology infrastructure affect the performance of banking industry						
4) There is genuine motive behind the adoption of information technology (IT) infrastructure in your bank?						
5) How will you rate information technology infrastructure						

in the banking industry?						
6) What is the relationship between information technology (IT) infrastructure and customer service delivery of the bank?						

You are required to rate your organization based on the scale provided below

Strongly Satisfactory	Satisfactory	Slightly dissatisfactory	Slightly Satisfactory	Satisfactory	Strongly Satisfactory
1	2	3	4	5	6

Statement

Level of agreement

	1	2	3	4	5	6
1) Customer service delivery is effective in your organization						
2) Customer service delivery improve the IT infrastructure of the Organization						

Thank you for your participation and your time in answering the survey. All responses will be treated with utmost confidence and no single set of responses will be readily identifiable.

Comments (Optional):
