






## CHANGE MANAGEMENT AND FIRM PERFORMANCE OF SELECTED DEPOSIT MONEY BANKS IN OWERRI, IMO STATE, NIGERIA

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### ABSTRACT

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#### Keywords

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Firm Performance (L.25).

This study examined the influence of change management on firm performance of deposit money banks in Owerri, Imo State. Descriptive survey design and the questionnaire were used in data collection. The total population comprised of 124 staff of Fidelity Bank, Access Bank, Eco-Bank and United Bank for Africa Plc. Out of 124 copies of the questionnaire administered to the participants, 116 were responded and used for the analysis, while, the remaining 6 were not returned and utilized. The research hypothesis was tested and analyzed using simple regression method to generate the result. The null hypothesis was rejected at 5 % level of significance. The study found that change management variable (leadership change) exerts a significant positive influence on firm performance (competitiveness) of banks in Owerri, Nigeria. The study recommends the followings; organizational leaders are advised to train their members in form of; coaching, counselling of other psychological support to encourage members to enforce change in the workplace. Again, managers are encouraged to communicate to all stakeholders effectively during corporate restructuring or redesigning of business process to enable them to see the necessity of change.

**Contribution/Originality:** This study is one of very few studies which have investigated the influence of leadership change on firm competitiveness in selected money deposit bank in Owerri, Imo State, Nigeria.

### 1. INTRODUCTION

The rate of change is increasing rapidly both in our society and workplace. In our society, we are often faced with changes in government regulation (e.g. tax, employment laws, wages, and environmental protection). Some organizations have experienced changes in business operations; some find their market declining, while others their market thriving. Consequently, no industry, trade, or profession can succeed without transformation. High performance organizations succeed due to effective leaders who ensure that objectives of change are implemented (Greenberg & Baron, 2008).

Most modern organizations have recognized the importance of Change Management initiative in areas such as information technology, corporate structure and processes. Change Management (CM) initiative was applied by Frederick Taylor in 19<sup>th</sup> century to improve industrial efficiency. A major change was targeted in the assembly line

to improve productivity and to eliminate waste of organizational resources in steel industry in United States of America. Taylor's idea of change Initiative sought to determine the best method of achieving work efficiency, standardization, specialization and simplification of work task (Nnabuife, 2009; Stoner, Freeman, & Gilbert, 2007).

Literature has identified a link between leadership change and organizational competitiveness. A study conducted by Gakure, Gichuhi, and Waititu (2014) using public universities in Kenya found that good leadership has positive influence on organizational competitiveness. In Japan, change initiative was applied in automobile industry to improve operational efficiency and achieve cost reduction (Passenheim, 2010).

Majority of organizations have focused their change effort on setting new corporate structures as well as mending already existing ones to suit their organizational environment and the demands of technology, to increase productivity and maintain large market share. The awareness for change is continuously increasing and only organizations that are able to change rapidly in relation to technology, organizational design, strategy, culture and work task reap the benefits of change program. While those organizations that have not recognized the importance of change are left behind, thus are forced to shut down operation due to intense competition (Hannagan & Bennett, 2005).

The banking industry in Nigeria has also experienced change reform. The aim of change management in the banking industry focus to improve bank capitalization base, improve technological innovation and adopt policies to conform to the international standard. For example, past consolidation in the banking industry by the Central Bank of Nigeria under the close watch of Soludo (2004) was established to strengthen the banking system and prevent systemic crises in the industry (Soludo, 2004). The bank reform created a remarkable transformation to ensuring more diversified strong and reliable banks but also enhancing banks' liquidity position and they are able to absorb loss. Moreover, it recreated the Nigerian Capital Market by stimulating activities in primary and secondary market through increase in the aggregate market capitalization, new issues of bank stocks and increased in the flow of Foreign Direct Investment (FDI) into the market (Salako, 2005). Several banks were affected by the past consolidation exercise due to leadership change.

Fidelity, Access, Eco and United Bank for Africa are Deposit Money Bank (DMB). DMB are also known as commercial banks. They are financial institutions that provide services (e.g. accepting deposits, granting loans to customers among others). The major function of Deposit Money Bank is to ensure that there is adequate flow of money to service deficit sectors of the economy and facilitates the movement of funds among economic units (Ufot, 2004). They play important role in the development and growth of a nation.

Fidelity Bank Plc began operations in 1988 as Fidelity Union Merchant Bank Limited. In 1999, it converted to commercial banking and changed its name to Fidelity Bank Plc. It became a universal bank in February 2001, with a license to offer the entire spectrum of commercial, consumer, corporate and investment banking services. The Bank is currently the top ten in the Nigerian banking industry, with presence in the major cities and commercial centres of Nigeria. Over the years, the bank has been reputed for integrity and professionalism. It is also respected for the quality and stability of its management (Fidelity Bank, 2016).

Access Bank Plc was listed on the Nigerian Stock Exchange in 1998. Over the past 26 years, Access Bank Plc has transformed from an obscure Nigerian Bank into a world class African financial institution. Today, the bank is one of the five largest banks in Nigeria in terms of assets, loans, deposits and branch network. The bank strives to deliver sustainable economic growth that is profitable, environmentally responsible and socially relevant. The company's mission focuses on setting standards for sustainable business practices that unleash the talents of our employees, deliver superior value to our customers and provide innovative solutions for the markets and communities we serve. In 2012, Access bank Plc merged with Intercontinental bank Plc (Access Bank, 2016).

Eco-Bank was established as a bank holding company in 1985. The bank's major focus lies on providing solutions-oriented, quality products and services to its customers, comprising of individuals, small and medium scale companies, parastatals, non-governmental organizations in Nigeria (Eco Bank, 2016).

UBA is the first Nigerian bank to offer an IPO following its listing on the Nigerian Stock Exchange in 1970. The bank is one of Africa's largest financial institutions with operations in 19 African countries and three global financial centers in; New York, London and Paris. UBA has more than eight million customers and 700 business offices globally. In 2005, the bank merged with Standard Trust Bank (STB) Plc, one of the biggest mergers in the history of Nigeria's capital markets (United Bank for Africa, 2016).

The researchers considered these banks over other banks because of easy access to data. This gives the researchers wider opportunity to make observations and investigate the extent of the relationship between change management and organizational performance. The interactions between the researchers and the staff of the selected organizations helped to explore intuitively the problems arising from bank consolidation exercise that cause so many banks to merge and acquired by other banks.

### *1.1. Statement of the Problem*

Over the years, the structure of the Nigerian banking system has been characterized by; weak capital base, poor rating of most of the banks, dwindling earnings, fraudulent practices, overdependence on public sector deposits, insolvency and weak corporate governance (inaccurate reporting and non compliance with regulation). Change became eminent to sanitize the industry.

The consolidated exercise in 2004 was targeted to increase the capitalization base of commercial banks from minimum of two (2) billion naira, to twenty (25) billion naira; strengthening the banking system; eliminate fraud and losses arising from various sources in the banking practice. Change became eminent for banks with strong capital base to have ability to absorb losses resulting from non-performing loans, improve its revenue, attain cost-efficiency and international best practice.

Unfortunately, the following banks such as Fidelity Banks, Access Bank, Eco Bank and United Banks for Africa were affected by this change which resulted to mergers and acquisitions to their various locations. For instance, the sack of a top performer (eg. a bank marketer) erodes or affects the profit margin being earned from that source or location and also robs the bank of the special skills and knowledge possessed by the person. The change affected the leadership of these banks adversely which in turn has adverse effect on the performance of the banks. Not paying attention to leadership change will affect firm performance adversely. The above problems therefore necessitated this study.

### *1.2. Objective of Study*

The general objective of this study is to investigate the influence of change management on firm performance of deposit money banks in Owerri, Nigeria. Change Management in this study is decomposed and proxy to leadership change, while firm performance is decomposed and proxy to competitiveness.

Drawn from the general objective, the specific objective is to determine the influence of leadership change on firm competitiveness of deposit money banks.

### *1.3. Research Question*

Following the stated objective, the research question is;

- How does leadership change influence firm competitiveness?

### *1.4. Research Hypothesis*

To achieve the study objective, the following research hypothesis is stated to guide the study.

- I.  $H_0$ : Leadership change does not exert significant influence on firm competitiveness.
- II.  $H_a$ : Leadership change exerts significant influence on firm competitiveness.

### *1.5. Significance of Study*

The result of this study is relevant to the financial institutions (deposit money banks). Again, the result of this study will contribute to existing knowledge in the field of study as well as becoming a stepping stone for further research in the same field of study.

### *1.6. Scope of Study*

This study focused on change management and firm performance of deposit money banks in Owerri. In order to make this study more purposeful and research oriented, the research was delimited to four banks in Owerri, Nigeria. The selected organizations comprised; Fidelity Bank, Access Bank, Eco Bank and United Bank for Africa Plc. The selection of these organizations was done statistically using simple random sampling technique. The banks were categorized into old and new generation banks. Simple random sampling techniques give the banks equal chances of being selected and represented in the survey. The target population of study include employee of the selected organization. Study is delimited to four banks.

### *1.7. Limitations of Study*

The study encountered problems during data collection process. The researchers were faced with uncooperative attitude of some respondents not providing answers to the questionnaire; some see the survey as interruption from their work schedules, while others see it as pure academics. Some respondents have ill-feelings that providing relevant information will endanger their position or job.

## **2. REVIEW OF RELATED LITERATURE**

### *2.1. Conceptual Review- Definition of Change Management*

Change Management (CM) refers to the process of planning and improving organizational performance (Recklies, 2001). Change efforts focus on improving both organizational and individual effectiveness required to build an effective organization and maintain competitive advantage in place of business operation.

Change Management is also defined as a process by which an organization optimizes performance as it works towards attaining its ideal state (Jones, 2004). The author noted that Change Management is significant in creating and sustaining organizational competitiveness with aim of improving its productivity. Again, Osisioma (2004) also defined Change Management as a transformation process that moves from one form to another. Change Management initiative deals with organizational responsiveness to adapt to the changing business conditions.

Robbins and Coulter (2007) defined Change Management as any alteration of people, structure, or technology. The authors noted that change effort is initiated in areas (such as; people, structure, technology among others) that threaten organizational survival. Someone within the organization is required to act as a catalyst and assume the responsibility for managing the change process and ensure that it is put into practice. Organizations cannot achieve success without strong leadership. Roger (2010) argues that change requires effective leadership to be successfully introduced and sustained. A good leader initiates bold steps or actions to position the organization for its future. A leader is one who articulates a vision and promotes it energetically; motivates employees into action and charismatically models old behaviors and attitudes, with those desired by management. Finally, a good leader infuses their organization with new ideas and information by constantly scanning their external environments, hiring new talents and expertise when needed, and by devoting resources to train and develop their employees. Therefore, leadership change is a determinant of organizational success or failure.

### *2.12. Leadership Change*

It is defined as the process of directing, motivating and inspiring people to perform specific task to achieve desired result (Armstrong, 2009). It is also defined as the ability to persuade others to behave differently. Similarly,

Nnabuife (2009) also defined leadership as the process of directing and influencing a group towards achieving individual, group and organizational goals.

Davis (2012) defined change in leadership as the process of empowering people to create change on a large scale and invigorating the organization. Supporting the views of the above, Kotter (2011) also concurs that leadership change is about “empowering people who want to make something happen in the organization”. It concerns with the driving force, vision, and processes that fuels large scale transformation in the organization. In essence, leadership change is a proactive attempt to inspire, motivate and persuade people to do their best to achieve a desired result.

Similarly, Higgs and Rowland (2005) also defined leadership change as the ability to influence and enthuse others through personal advocacy, vision and drive, and to access resources to build solid platform for change. According to the authors thinking, leadership change is viewed as key to successful change. The major purpose of leadership change is to ensure that the right change is done at the right time. This involves creating a sense of urgency around needed change and initiating change on a large scale to promote organizational performance.

On the other hand, Tamkin, Hirsh, and Tyers (2010) have identified leadership change as ability to inspire others; persuade people to behave differently; clarify what needs to be done and why change is needed to adjust to the new situation; communicate sense of purpose to the organizational members; and get the best team into action so that the organizational goal is achieved.

### 2.1.3 Firm Performance

Performance improvement is a target of every organization. The objective of every organization is to maximize high performance and this involves taking bold steps to deal with under-performance. Poor performance threatens organizational survival and managers are often blamed for organizational failure. Any organization that fails to deal with under-performance is doomed to fail. Armstrong and Baron (2004) suggest that the best way to deal with under-performance is to ‘applaud success’ and ‘forgive failure’ in the organization. Similarly, Risher (2003) attribute reason for poor performance as when people or resources are not effectively managed. The author suggests that feedback should be built into job scope to help manage under-performance and self regulatory feedback mechanism is required to improve under-performance so that everyone in the organization become aware of his/her job targets and improve on it.

According to Market Business News (2020) Organizational Performance involves analyzing a company’s performance against its objectives and goals. In other words, organizational performance comprises real results or outputs compared with intended outputs. Therefore, organizational performance focuses on three main outcomes; shareholder value performance, financial performance and market performance. Financial performance explains company operations and policies in monetary terms. It explains the financial health, return on investment or return of asset and market share of a company. Similarly, market performance describes how well a company or product performs in the marketplace. Shareholders value is a measure of company’s profit and how it enriches its stakeholders. It is a measure of organizational success. Organizational Performance is defined as a set of financial and non-financial indicators which offer information on the degree of achievement of predetermined objectives (Lebans & Euske, 2006). Non-financial performance is a measure of company operations and policies in non-monetary terms. It is measured using indicators such as; competitiveness, relevance, timeliness and values. For the purpose of this study, competitiveness is proxy for non-financial performance using selected organizations.

### 2.1.4 Competitiveness

This is a major driver of organizational performance. Ketels (2016) defines competitiveness as the ability of firms to create value and to compete successfully on global markets. The author argues that, firms compete mainly

to improve its products and services, improve market share, and generate profit required to improve organizational performance better than its rivals.

The [World Economic Forum \(2016\)](#) defined competitiveness as the set of institutions, policies and factors that determine the level of productivity of a firm or nation. According to this definition, what makes a company competitive is its ability to perform better to create competitive advantage in a way that is, valuable, rare, inimitable and non-substitutable than its rivals. In other words, firm's ability to compete at high level is deemed essential to promote high productivity in the work place. Competitiveness usually refers to advantage obtained through superior productivity.

The researchers argue that firm competitiveness is linked to productivity. The reason is that organization take advantage in creating and sustaining superior performance through; high profitability, market share and return of investment or asset. For the purpose of this study, competitiveness is considered as one of the performance (non-financial) indicators used for achieving long term productivity in an organization.

## *2.2. Theoretical Framework*

This study is anchored on Charismatic Leadership Theory (CLT) postulated by [Weber \(1947\)](#). Charismatic Leadership theory assumes that, leaders possess extra ordinary behavior or qualities that motivate followers to achieve outstanding performance. This theory also points that a leader must possess basic qualities or behavior that is essential for job success. These qualities include the following; honesty, integrity, awareness, self confidence, achievement drive, and emotional stability. This theory is therefore linked to Change Management and Firm Performance. Good leadership style or behavior plays a significant role in promoting and sustaining organizational performance which can lead to high productivity in the work place.

This theory further explains that leaders who possess high achievement drive can identify actual or potential problems confronting the organization and establish a sense of urgency around needed change. Again charismatic leaders have the ability to put together a strong group with enough power to lead the change initiative to promote high productivity in the organization. This theory assumes that leaders are expected to use their powers and influence positively to implement change programs in the organization to boost firm productivity.

## *2.3 Empirical Review*

Several researchers have investigated the relationship between Change Management and Firm Performance in both private and public sector organizations with different findings. This has generated both positive and negative arguments in literature. Some of these studies conducted from different parts of the world, including Nigeria are reviewed below.

[Olajide \(2014\)](#) Investigated the effect of Change Management on Organizational Performance of Telecommunication industries Airtel, Lagos State, Nigeria. The study adopted descriptive survey and questionnaire as instrument for data collection. The population of study comprised of the managers, supervisors, operational staffs and customers of the industry. The total population of study comprises of 1000 employees, and the geographic coverage represents Airtel Headquarter, Lagos State. The sample size was determined statistically using Taro-Yamane formula and was given as 300 staff. Data was sourced with the aid of questionnaire using five-point likert scale. Again, study hypotheses were tested statistically at 5% level of significance and data was analyzed using Analysis of Variance (ANOVA) with the aid of SPSS version 17.0 software to get empirical results. Findings revealed that Change Management has a significant positive effect on Organizational Performance.

[Uchenwamgbe \(2013\)](#) Examined Effect of Leadership Change on Organizational Performance in Small and Medium Enterprises (SMEs) in Lagos State, Nigeria. The study adopted descriptive survey approach and questionnaire as instrument for data collection. The population of study comprise of managers of SMES, employees and supervisors of various SMES in Lagos State. The sample size was statistically calculated Using Taro-Yamane

formula and was given as 200 employees. Random sampling technique was adopted to distribute the questionnaire to the target population in such a way that every unit or stratum is given an equal opportunity to be represented in the survey. The hypotheses were statistically tested and analyzed using chi-square and simple percentage ratio at 5 % level of significant. Study revealed that there is a significant relationship between leadership style and organizational performance.

[Kamugisha \(2013\)](#) investigated the effect of Change Management on Organizational Culture Using a Case study of National University of Rwanda. The target population comprised of 57 staff of the university. The study adopted descriptive survey approach. Both primary and secondary data were obtained. Primary data were sourced from the questionnaire and analyzed using descriptive statistics (mean, mode, median and frequency table). Secondary data were sourced from books, journals and university annual report. Findings showed that change management exerts positive influence on organizational culture (downsizing, recruitment and outsourcing).

[Puni, Ofei, and Okoe \(2014\)](#) also investigated the effect of Leadership Style on Firms' performance using two Ghanaian Banks. The study adopted descriptive survey approach. The sample population comprised of 57 staff of the university. Quantitative and qualitative research survey approach was adopted. The banks performance was measured using financial indicator such as; return of investment or asset. Both primary and secondary data were used for the study. Primary data was sourced using questionnaire administered to the Human Resource departments of the two banks using five point-likert scale; while secondary data was sourced using annual report (net profit figures) of the two banks from 2009 to 2011 to get empirical result. The hypotheses were tested statistically using multiple regressions with the aid of SPSS version 20. Result showed that, there is no statistical significant predictive relationship observed between three leadership styles (democratic, authoritative and laissez-faire) and firms performance.

[Rosen \(2014\)](#) examined the effect of Leadership Style on Organizational Change. This study was conducted in Sweden using "Lantmateriet" (Land Registration Authority). Qualitative research design was adopted. Population of study comprises of 11 managers, out of which one is a production manager, two second line managers, and eight first line managers situated in three different cities in, Gävle, Karlskrona and Luleå. Primary data was collected using semi-structured interview. Data were analyzed using categorization method. Study found that Leadership Style has significant influence on Organizational Change.

#### *2.4. Research Gap*

Given methodological and theoretical limitations of studies conducted by several researchers above, a gap in knowledge has been identified through; use of variable, analytical tools, research objective and geographic coverage. [Olajide \(2014\)](#) focused on Change Management and Organizational Performance of Telecommunication industries Airtel, Lagos State, Nigeria; [Uchenwamgbe \(2013\)](#) examined Effect of Leadership Change on Organizational Performance in Small and Medium Enterprises (SMEs) in Lagos State, Nigeria; [Kamugisha \(2013\)](#) investigated the effect of Change Management on Organizational Culture Using a Case study of National University of Rwanda; [Puni et al. \(2014\)](#) also investigated the Effect of Leadership Style on Firms' Performance using two Ghanaian Banks; [Rosen \(2014\)](#) examined the Effect of Leadership Style on Organizational Change using Swedish Land Registration Authority; while present study focused on Change Management and Organizational Performance of Deposit Money Banks in Owerri, Imo State, Nigeria. In addition, study of [Olajide \(2014\)](#) and present study is that, the area of study was different. Previous study was carried out using telecommunication industry as case study; while present study was carried out using banking industry. Again, variables of previous study and present study are not the same. In addition, [Olajide \(2014\)](#) analyzed data using Analysis of Variance (ANOVA) to get empirical result; [Uchenwamgbe \(2013\)](#) analyzed data using chi-square and simple percentage ratio; [Kamugisha \(2013\)](#) analyzed data using inferential statistics (mean, mode, median and frequency table); [Puni et al. \(2014\)](#) analyzed data using multiple regression; [Rosen \(2014\)](#) analyzed data using categorization method, while present study analyzed data using

simple regression to generate result. However, previous studies did not examine the extent to which leadership change influences firm competitiveness. This is the gap present study seeks to fill.

### 3. RESEARCH METHODOLOGY

#### 3.1. Research Design

This study employed descriptive research design to make observation about what happened in a real life situation. The method is used to describe state of affairs about an organization, fact-findings and enquiries of any kind (Muaz, 2013). Change Management represents the independent variable, while Organizational Performance represents the dependent variable.

#### 3.2. Population of the Study

The study population involved operational staff and managers of the selected banks in Owerri, State Capital, Imo State. The banks include; Fidelity Bank, Access Bank, Eco-Bank and United Bank for Africa Plc. The banks were grouped into two categories, old generation (Eco bank and UBA) and new generation (Fidelity and Access bank) deposit money banks. The basis for choosing the above banks was done using simple random sampling which gives every bank equal opportunity to be selected in the survey.

**Table1.** Population of the Study

S/N	Bank	Rank/Position	Total Population
1	Fidelity Bank Plc	Managers/Operational staff	42
2	Access Bank Plc	Managers/Operational staff	35
3	Eco Bank Plc	Managers/Operational staff	21
4	United Bank for Africa	Managers/Operational staff	26
	Total		124

#### 3.3. Sample Size and Sampling Technique

The sample size is not too large, complete enumeration based method was therefore adopted. Complete enumeration method allows every employee to be represented in the survey.

#### 3.4. Method of Data Collection

Data for the research was collected from primary source. Copies of a structured questionnaire were administered, and the participants were placed on objective response for each statement on a five point likert scale. The response scoring weights represent the following; Strongly Agree- 5 points, Agree- 4 points, Undecided/Neutral-3 points, Disagree-2 points, and Strongly Disagree-1 point. The data were analyzed using Multiple Regression Model with the aid of SPSS Software Version 20.

#### 3.5. Validity of the Instrument

The Change Management and Firm Performance Questionnaire (CMOPQ) was given to professor and a senior lecturer in the Department of Business Administration of Nnamdi Azikiwe University, Awka for critical examination. They were requested to scrutinize the items of the instrument in relation to the research objectives and ascertain if the items had face and content validity. They were also requested to make their recommendations as



to the suitability of the instrument. Based on their scrutiny and suggestions, 13 items were modified and subjected for statistical test.

The validity of the instrument was performed on the surface level using face validity. This helped the researcher to evaluate whether or not the conceptual variables were properly measured at the face or surface value. For the purpose of this study, face validity were performed with the help of an expert who read through the questionnaire and offered corrections based on departmental guidelines (format) which enabled the researcher to effect corrections. Again, while administering the questionnaire, the feedback offered by participants of; Fidelity Bank, Access Bank, Eco Bank and United Bank for Africa Plc were sought by the researcher to ensure the variables measured what it is supposed to measure.

### 3.6. Reliability of the Instrument

When alpha test give the result that ranges between 0- 0.6 (0-60%), such result is said to be reliable. From the reliability test result in Table 2 below, the measuring instrument measures what it sets out to measure at alpha value of 0.799. The test result satisfy the condition at 60% level of alpha coefficient, it can be interpreted that the instrument is reliable.

Table-2. Reliability Test Result

Cronbach's Alpa	No of Item
.799	13

### 3.7. Method of Data Analysis

The data used in answering the research questions and testing of the hypotheses were obtained from the responses from Change Management and Firm Performance of Deposit Money Banks in Owerri, Imo State. Data for research question one were analyzed using simple regression to; determine the influence of leadership change on organizational competitiveness. Reject the null ( $H_0$ ) if p-value is less than 0.05 otherwise accept the alternate hypothesis ( $H_A$ ). In rejecting the null hypotheses, it shows that leadership change do not exert positive influence on firm performance. In accepting the alternate hypotheses, it shows that leadership change exert positive influence on firm competitiveness.

## 4. DATA PRESENTATION AND ANALYSIS OF RESULT

### 4.1. Data Presentation

Table-3. Schedule of Questionnaire Administered and Returned for Selected Banks (Fidelity Bank, Access Bank, Eco Bank and United Bank for Africa Plc).

Item	Frequency	% of Questionnaire
Returned Questionnaire	116	93.54
Unreturned Questionnaire	8	6.45
Total number of Questionnaire Administered	124	

Source: Field Survey 2020.

### 4.2. Test of Hypothesis for Selected Banks

The hypothesis was tested using Simple Regression model with the aid of SPSS Version 20.

### 4.3. Hypothesis One

- I.  $H_0$ : Leadership change does not exert significant influence on organizational competitiveness.
- II.  $H_a$ : Leadership change exerts significant influence on organizational competitiveness.

Table-4. Frequency Distribution of Questionnaire Responses for Selected banks.

S/N	Change Management	SA	AG	UN	DA	SD	TOTAL
A.	Leadership Change						
1.	Many managers were lost by my organization as a result of the consolidation exercise.	37	31	28	14	6	116
2.	Most of the people we lost went away with their knowledge and abilities.	42	38	25	9	2	116
3.	The loss of some of our employees has had a negative effect on our activities.	36	43	16	18	3	116
4.	It has taken us long to adjust to the new situation.	41	49	14	9	3	116
5.	The new managers that took over from the ones we lost did not immediately resume to duties.	35	44	20	16	1	116
6.	We the employees have problems adjusting to new leadership in the bank.	39	36	19	14	8	116
	<b>Organizational Performance</b>						
B.	Competitiveness						
7.	My organization always aims at gaining advantage over others.	34	32	23	17	10	116
8.	My organizations superior performance relies on the skill, education of her employees.	38	43	14	12	9	116
9.	My organization examines external trends, issues and problems confronting it and produces practical and acceptable solution to it.	34	42	12	17	11	116
10.	Change program is essential to promote organizational competitiveness in business operation.	38	31	26	12	9	116
11.	My organization identifies and discusses actual or potential crises confronting its ability to gain competitive advantage over others.	30	27	29	18	12	116
12.	An increased sense of urgency is exhibited by my organization whenever there is a change.	34	38	23	14	7	116
13.	My organization focuses on identifying and exploring new business opportunities to make us better than our rivals.	37	31	27	16	5	116

Source: Field Survey, 2020.

#### 4.4. Decision Rule

Reject the null hypothesis when P-value is  $\leq .05$ ; otherwise accept the alternate hypothesis. Table 5 below shows multiple regression result between leadership change and firm competitiveness. The result indicates that the p-value (.000) for leadership change is less than .05; the null hypothesis which states that leadership change does not exert significant influence on firm competitiveness of deposit money banks in Owerri was therefore rejected. The alternate hypothesis which states that leadership change exerts significant influence on firm competitiveness of deposit money banks in Owerri was therefore accepted.

Table-5. Simple Regression Result for Selected Banks

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	13.262	2.221		5.970	.000
	Lead. Cha	.500	.087	.706	5.720	.000

Note:

Leadership Change is abbreviated as: Lead. Cha.

Competitiveness is abbreviated as: Comp.

a. Dependent Variable: Comp.

b. Independent Variable: Lead. Cha.

Table-6. ANOVA<sup>a</sup>

	Model	Sum of Squares	Df	Mean Square
1	Regression	2193.415	1	2193.415
	Residual	2212.185	115	67.036
	Total	4405.600	116	

Note:

a. Dependent Variable: Comp.

b. Predictors: (Constant), Lead Cha.

Table-7. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.706 <sup>a</sup>	.498	.483	8.18755

Note:

- a. Predictors: (Constant); Lead.  
 b. Dependent Variable: Comp.

#### 4.5. Analysis of Result

The result of simple regression above shows that there exists significant relationship between Change Management variable (leadership change) and firm performance variable (competitiveness). Since the p-value (.000) of leadership change is less than the critical value at 5% level of significant, the null hypothesis which states that leadership change do not exert significant influence on firm competitiveness of deposit money banks in Owerri, was therefore rejected. The alternate hypothesis which states that leadership change exert significant influence on firm competitiveness of deposit money banks in Owerri, was therefore accepted. The R-Square value of 0.498 shows that 49.8% of variation in dependent variable (competitiveness) is explained by the independent variable (leadership change), therefore, we can say that the model is good and the test result is not spurious.

### 5. CONCLUSION, RECOMMENDATIONS AND FUTURE RESEARCH

This section presents conclusion and recommendations of the study.

#### 5.1. Conclusion

This study having investigated the influence of change management on firm performance of deposit money banks in Owerri, established that there is strong link between the dependent and independent variables. The findings showed that leadership change exerts significant positive influence on firm competitiveness. This result is in agreement with findings of [Uchenwamgbe \(2013\)](#) which showed that leadership style has significant influence on organizational performance. This is also in harmony with the findings of [Olajide \(2014\)](#) which showed that Change Management has a significant positive influence on Organizational Performance.

#### 5.2. Recommendations

The study can be adapted to any kind of organization both in private and public sector especially those faced with the challenge of leadership. Consequent the outcome of this study, the following recommendations are made;

- i. Transition to change is very difficult for some individuals to adapt, organizational leaders are therefore advised to educate their members inform of; coaching, counseling or given other psychological support to encourage members believe that change will impact their lives positively.
- ii. In restructuring or redesigning of business process to achieve dramatic improvements in cost, quality, service and speed, especially in the Nigerian banking, managers are advised to communicate to all various stakeholders effectively to enable them believe that change is necessary and targeted to improve organizational productivity.
- iii. Application of threat to change receptors is dangerous and can be in form of; termination of appointment, withholding promotion, transfer to remote areas, cutting of salary, withholding relevant information and giving false information to subordinates. Most times, manipulation and co-option can cause tension, emotional upheavals and crises in the work environment which has adverse effect on organizational productivity. Bank managers are advised not to manipulate and co-opt their workers into accepting the intended change.
- iv. To deal with resistance to change especially in the Nigerian banking industry, Chief Executives Officers (CEOs) or Managing Directors(MDs) are advised to support their subordinates inform of; loan, retirement

benefits, unemployment package, pension plan, social security among others so that those threatened by change can be accommodated.

### 5.3. Future Research

This research work is limited to the influence of change management on firm performance of deposit money banks in Owerri. The empirical perspective of this study was limited to commercial bank, future researchers are advised to look at other industries and identify problems from different angle. The theoretical context of this study is built on Charismatic Leadership Theory (CLT), future researchers are advised to look at other theories and explore study intuitively.

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