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A Theory of Efficiency for Managing the Marketing Executives in Nigerian Banks

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Abstract
Bank customers in Nigeria are almost unanimous in decrying inefficiency and most have at some time or the other wished the Nigerian banks at least a little less of it. The concern for efficiency in managing the marketing executives in Nigerian banks prompted this study. The study was examined in the light of Kaizen (Continuous Improvement) and Efficiency Theory. A sample of 303 marketing executives from selected banks in Nigeria was determined using the finite multiplier. The hypothesis test results gave significant values of Wald Ch-Square for the intercept and individual response categories of research questions ($p < 0.05$) with the exception of the response of generally agree ($p>0.05$) and definitely agree (no computed Wald Chi-Square result), which indicated the significance of the results. Hence management is responsible for setting the context within efficiency improvements can take place, and bear prime responsibility for identifying and implementing efficiency of the marketing executives in Nigerian banks. Granted that the bank as a whole would benefit less with inefficiency, and that the task of reducing inefficiency in managing the marketing executives is uphill, a programme of reducing inefficiency should be based on three major premises, namely:` (i) that some are inefficient because they do not know what to do in given situations (structural inefficiency); (ii) that knowing what to do, some are inefficient because they do not want to do the right thing in given situations (primary or voluntary inefficiency); and (iii) that knowing what to do and wanting to do it, some are still inefficient because they cannot do the right thing in given situation (secondary or induced inefficiency). This is the inefficiency brought about when the bank manager himself is inefficient, gives a bad example, stifles initiatives and is unwilling to control the marketing executives. The fact that it is recommended for top bank management to be exposed to training suggests that bank managers can and do induce inefficiency. For efficiency drive in managing the marketing executives in Nigerian banks, it is recommended the adoption of a 3H grand strategy to work on the Head (H1), the Heart (H2) and the Hand (H3) of management and the marketing executive, that is, respectively, their knowledge, their attitudes, and the tools with which they work. It is therefore essential for a bank management introducing an efficiency drive to identify factors that provide the critical inputs to his organization, and pass them through the 3H transformation process first. These critical factors are referred to as the crossroads. For just as traffic on a highway cannot flow freely unless the crossroads are cleared, no bank can function efficiently unless its critical inputs are functioning very efficiently. The crossroad (top management) in Nigerian banks must be transformed first through the 3H grand strategy if any efficiency drive for managing the marketing executives is to yield good results.
Keywords: Efficiency Drive, Voluntary Inefficiency, Kaizen Principle, Nigerian Banks, Marketing Executives, Wald Chi-Square, 3H Grand Strategy.

Introduction

Efficiency in general, describes the extent to which time, effort or cost is well used for the intended task or purpose. It is often used with the specific purpose of relaying the capability of a specific application of effort to produce a specific outcome effectively with a minimum amount or quantity of waste, expense, or unnecessary effort. Efficiency has widely varying meanings in different disciplines (Uduji, 2013). The term “efficient” can be very much confused and misused with the term “effective”. In general, efficiency can be a measurable concept, quantitatively determined by the ratio of output to input. Effectiveness, on the other hand, can be a relatively vague, non-quantitative concept, mainly concerned with achieving objectives (Imai, 1986). In several of these cases, efficiency can be expressed as a result as percentage of what ideally could be expected, hence with 100% as ideal case. This does not always apply, not even in all cases where efficiency can be assigned a numerical value, eg. not for specific impulse (Weed, 2010). A simple way of distinguishing between efficiency and effectiveness is the saying, “Efficiency is doing things right, while Effectiveness is doing the right things”. This can be based on the premise that selection of objectives of a process is just as important as the quality of that process. A slightly broader mode of efficiency that nevertheless remains consistent with the “percentage” definition in many cases is to say that efficiency corresponds to the ratio $r = P/C$ of the amount P of some valuable resources produced, per amount C of valuable resources consumed. This may correspond to a percentage if products and consumable are quantified in compatible units, and if consumable are transformed into products via a conservative process (Uduji, 2013). One of the words commonly used by bank customers today in Nigeria to describe the overall standard of performance of the Nigerian banks is “efficiency” (Uduji,

2013). Some institutions in Nigeria believe that Nigerian banks could be among the heaviest millstones round the neck of overall efficiency in the economy (Uduji, 2013). Nigerians are almost unanimous in decrying inefficiency and most have at sometime or the other wished the banks, at least a little less of it. So much is the concern for efficiency that led to the continuous process of reformations and consolidations to avoid the incidence of distressed banks in the economy again. That many Nigerian banks could be inefficient in managing the marketing executive may not be in dispute, although some of these inefficiencies may not be technical or objectives, but could be rather perceived. (Uduji, 2013). Granted that the banks as a whole would benefit less with inefficiency, and that the task of reducing inefficiency could be uphill, how best can the management plan and execute an efficiency drive for managing the marketing executives in Nigerian banks? In this study, an attempt would be made to answer this question.

A close relationship could exist between a bank's marketing structure and its strategic marketing and marketing executives planning. The bank structure could have a direct and significant bearing on the implantation of the efficiency drive. The key could be to design a bank marketing structure- whether it is for marketing executive or any other group involved in a joint effort to meet efficiency-is a control and coordination mechanism. Bank management can have several other mechanisms to direct the efficiency of its marketing executives-its compensation plan, training program, and supervisory techniques, among others. But the marketing structure can loom large because it is typically set up before this other mechanisms are established. Consequently, any mistake in managing the marketing executives in Nigerian banks can result in reduced efficiencies in selection, compensation, training, and other tools of managerial control and guidance. Therefore, as efficiency mechanism, it is perceived that the marketing structure can guide a bank- or in some cases, the marketing executives-in carrying out the strategic planning to pursue marketing executives' Efficiency. Very often, the marketing executives in Nigerian banks fail to reach their efficiency goals, probably because the marketing structure put up by the top management, hinders the effective implementation-of the strategic marketing executive efficiency. Therefore, this study would attempt to expand on the theory of efficiency for managing the marketing executives in Nigeria banks.

Theoretical framework

This study was examined in the light of *Kaizen (Continuous Improvement) and Efficiency* (Imai, 1986). Kaizen is the Japanese term for the need for continuous improvement in the organization's production system from numerous small, incremental improvements in production processes. The principles of Kaizen were introduced in mental improvements in 1985 by Masaaki Imai (Imai, 1986; Imai, 1997 and Coleuso, 2000). According to these principles, process should be dealt with in three steps: Maintenance, Kaizen and Innovation. The maintenance step is the status quo of the process-how it is done. Kaizen is the interim step of identifying small ways to improve maintenance. Innovation is the resulting changes to the process. After the process is modified, the innovated process then becomes the new status quo and the Kaizen process begins again (Tozawa, 1995; Laraia, Moody and Hall, 1999). Table 1 lists suggestions from the Kaizen Institute for implementing Kaizen in an organization.

Table 1: Implementing Kaizen

1. **Maintenance**
   - i. Question current practices without making excuses or justifying them.
   - ii. Question everything five times to identify the root causes of waste and come up with solution

2. **Kaizen**
   - i. Discard Conventional ideas and Methods in finding causes and devising solutions.
   - ii. Remember that Kaizen ideas are limitless
   - iii. Think positively of how to accomplish something, not negatively about why it can't be done.
   - iv. Focus Wisdom on the Kaizen process and solutions, not money.
   - v. Understand that undergoing hardship increases Wisdom.
   - vi. The Wisdom of ten people is more valuable rather than the knowledge of one.

3. **Innovation**
   - i. Begin implementing solutions right away-don't wait until the solutions have been perfected.
   - ii. Correct mistakes immediately, as they occur, before they can cause further problems.

Source: Imai, M.C. (1986) *Kaizen: The key to Japan's Competitive* Success, New York: Random House.

According to Jeffrey and Meier (2006), one of the main principles of Kaizen is reducing waste in materials, inventory, production steps, and activities that don't add value, such as moving parts from one machine to another. Grabam and Swartz (2012) noted that every second that is spent in adding value to a product is offset by

1,000 seconds of activities that add no value. Sources of waste include inefficient facilities layout. *Kaizen,* which is Japanese's word for "improvement" or "change for the best" refers to philosophy or practices that focus upon continuous improvement of processes in manufacturing, engineering, and business management (Uduji; 2013). It has been applied in healthcare, psychotherapy, life-coaching, government, banking, and other industries. When used in the business sense and applied to the workplace, Kaizen refers to activities that continually improve all functions, and involves all employees from the chief executive officer to the assembly line workers (Weed, 2010). It also applies to processes, such as purchasing and logistics that cross organizational boundaries into the supply chain (Feldman, 1992). By improving standardized activities and processes, Kaizen aims to eliminate waste (Emiliani, David, Grasso and Stodder, 2007). Kaizen was first implemented in several Japanese businesses after the second world war, influenced in part by American business and quality management teachers who visit the country. It has since spread throughout the world and is now being implemented in environment outside of business and productivity (Hanebuth, 2012).

According to Bodek (2010), the Sino-Japanese word "Kaizen" simply means "good change", with no inherent meaning of either "continuous" or "philosophy" in Japanese dictionaries or in everyday use. The word refers to any improvement, one-time or continuous, large or small, in the same sense as the English word "improvement". However, given the common practice in Japan of labeling industrial or business improvement techniques with the word "Kaizen" (for lack of a specific Japanese word meaning "Continuous improvement" or "philosophy or improvement"), especially in the case of oft-emulated practices spearheaded by Toyota, the word Kaizen in English is typically applied to measures for implementing continuous improvement, or even taken to mean a "Japanese philosophy" thereof (Scotchmer, 2008; Maurer, 2012). Kazien is a daily process, the purpose of which goes beyond simple productivity improvement. It is also a process that, when done correctly, humanizes the workplace, eliminate waste in business processes. In all, the process suggests a humanized approach to workers and to increasing productivity: the idea which is to nurture the company's human resources as much as it is to praise and encourage participation in Kaizen activities (Hamel, 2010). Successful implementation of Kaizen requires "the participation of workers in the improvement (Dinero, 2005). People at all levels of an organization participate in Kaizen, from the chief executive officer, down to janitorial staff, as well as external stakeholders when applicable. The format for Kaizen can be individual, suggestion system, small group, or large group (Sashkin and Kiser, 1993). At Toyota, it is usually a local improvement within a workstation or local area and involves a small group in improving their own work environment and productivity. This group is often guided through the Kaizen process by a line supervisor; sometimes this is the line supervisor's key role. Kaizen on a broad, cross-departmental scale in companies, generates "total quality management", and frees human efforts through improving productivity using machines and computing power (Logothetis, 1992).

Jeffrey and Meier (2006) noted that while Kaizen (at Toyota) usually delivers small improvements, the culture of continual aligned small improvements and standardization yields large results in the form of compound productivity improvement. This philosophy differs from the "Command and Control" improvement programs of the mid-twentieth century. Kaizen methodology includes making changes and monitoring results, then adjusting. Large-scale pre-planning and extensive project scheduling are replaced by smaller experiments, which can be rapidly adopted as new improvements are suggested (Gersick, 1988). In modern usage, it is designed to address a particular issue over the course of a week and is referred to as a "Kaizen blitz" or Kaizen event (Hamel, 2010). These are limited in scope, and issues that arise from them are typically used in later blitzes (Katzenback, 1993; Weiss, 1999; Balkin, Dolan and Forgues, 1997). Kaizen means improvement, continuous improvement involving everyone in the organization from top management, to managers, then to supervisor, and to workers. In Japan, the concept of Kaizen is so deeply engrained in the minds of both managers and workers that they often do not even realize they are thinking Kaizen as a customer-driven strategy for improvement (Bowles and Hammond, 1991). This philosophy assumes according to Imai (1986) that management deserves to be constantly improved. Improvement begins with the admission that every organization has problems, which provide opportunities for change. It evolves around continuous improvement involving everyone in the organization and largely depends on cross-functional and largely depends on cross-functional teams that can be empowered to challenge the status quo (Barnes, 1996; Kobayashi, 1990, Cheser, 1994).

However, there is a lot of controversy in the literature as well as the industry as to what Kaizen signifies (Yamanda, 2000; Berk and Berk, 1993; Canes, 1996). Kaizen is a Japanese philosophy for process improvement that can be traced to the meaning of the Japanese words *Kai* and *Zen,* which translate roughly into 'to break apart and investigate' and 'to improve upon the existing situation' (Hammer and Champy, 1993). Kaizen is a Japanese term for continuous improvement. It is using common sense and is both a rigorous and scientific method of using statistical quality control and an adaptive framework of organizational values and beliefs that keeps workers and management focused on zero defects. It is a philosophy of never being satisfied with what was accomplished last week or last year (Osburn, Moran, Mussel-White and Zenger, 1990). The essence of Kaizen is that the people that perform a certain task are the most knowledgeable about the task. Consequently, by involving them and showing confidence in their capabilities, ownership of the process is raised to its highest level (Robinson, 1991).

In addition, the team effort encourages innovation and change, by involving all layers of employees (including the marketing executives), the imaginary organizational wall disappear to make room for productive improvements. From such a perspective, Kaizen is not only an approach to manufacturing competitiveness but also everybody's business, because its premise is based on the concept that every person has an interest in improvement (Gravin, 1987).

The premise of a Kaizen workshop is to make people's job easier by taking them apart, studying them, and making improvements. The message is extended to everyone in the organization, and thus everyone is a contributor. So, when Kaizen for every individual could be an attitude for continuous improvement, for the company also to be a corporate attitude for continuous improvement (Pfau and Gross, 1993). As presented by Imai (1997) Kaizen is an umbrella concept that embraces different continuous improvement activities in an organization. With Kaizen, the job of improvement is never finished and the status quo is always challenged. Kaizen techniques became famous when Toyota used them to rise to world automotive leadership. Rather than undertake large projects, Toyota's staff was encouraged to identify problems, no matter how small, trace their root causes, and implement all necessary solutions (Knouse, 1996). Improvements through Kaizen have a process focus. Kaizen generates process-oriented thinking; it is people-oriented, and is directed at people's efforts. Rather than identifying employees as the problem, Kaizen emphasizes that the process is the target and employees can provide improvements by understanding how their jobs fit into the process and changing it. The companies that undertake a Keizen philosophy place an emphasis on the processes-on the 'how' of achieving the required results. A process emphasis goes beyond designing effective processes (Aaker, 2005); it requires the teams to understand why a process works (Alber, 2002); whether it can be modified (Babin, Boles and Robin, 200); or replicated somewhere else in the company (Brashear, Boles, Bellenger and Brooks, 2003); and how it can be improved (Cardador and Pratt, 2006). It is on this note that this study is guided by the principles of Kaizen.

Research Methodology

The population of the study is made up of the marketing executives in selected banks in Nigeria. A sample size of 303 marketing executives was determined using the finite multiplier, where:

$$\text{Sample Size} = \text{Sample Size Formula} = X \sqrt{\frac{N - n}{N - n}}$$

Hence:

$$N = \frac{z^2 (Pq)}{e^2}$$

$$= \frac{1.96^2 (50 \times 50)}{5^2}$$

$$= \frac{3.84 (2500)}{25}$$

$$= \frac{1600}{25}$$

Now, applying the finite multiplier

$$N = 384 \; X \sqrt{\frac{N - n}{N - 1}}$$

$$= 384 \; X \sqrt{\frac{1000\text{-}384}{1000\text{-}1}}$$

$$= 384 \; X \sqrt{\frac{616}{999}}$$

$$= 384 \; X \; .79$$

$$= 303$$

Data Analysis and Presentation

Scale:

Definitely Disagree (DD) - 1

Generally Disagree (GD) - 2

Somewhat Disagree (SA) - 3
Generally Agree (GA) - 4
Definitely Agree (DA) - 5

Table 1: Efficiency Factors for Managing the Marketing Executives in Nigerian Banks

Question	DD (%)	GD (%)	SA (%)	GA (%)	DA (%)	Mean	Std. Dev.
Improving efficiency requires the establishment of self-managed marketing executives in Nigerian banks	37 (12.2)	37 (12.2)	44 (14.5)	120 (39.6)	65 (21.5)	3.46	1.29
Top management is responsible for setting the context within which efficiency improvement can take place in the management of marketing executives in Nigerian Banks	6 (2.0)	8 (2.6)	20 (6.6)	176 (58.1)	93 (30.7)	4.13	0.80
For the efficiency of managing the marketing executives in Nigerian banks, managers are to bear prime responsibility for identifying and implementing efficiency-enhancing improvement of the marketing executives in Nigerian banks	21 (6.9)	27 (8.9)	36 (11.9)	131 (43.2)	88 (29.0)	3.79	1.16
Overall Mean						***3.79***	

Source: Field survey, 2014

As presented in table 1 above, it is the opinion of the respondents that improving efficiency requires the establishment of self-managed marketing executives in Nigerian banks. This is reflected in the respondents' response where 37 (12.2%) respondents definitely disagreed, 37 (12.2%) respondents generally disagreed, 44 (14.5%) respondents somewhat agreed, 120 (39.6%) respondents generally agreed, 65 (21.5%) respondents definitely agreed.

With a mean response of 4.13 and the respondents responses where 6 (2%) respondents definitely disagreed, 8 (2.6%) respondents generally disagreed, 20 (6.6%) respondents somewhat agreed, 176 (58.1%) respondents generally agreed and 93 (30.7%) respondents definitely agreed, it is the view of the respondents that the top management is responsible for setting the context within which efficiency improvement can take place in the management of marketing executives in Nigerian Banks.

Having a mean response of 3.79 and the respondents' responses where 21 (6.9%) respondents definitely disagreed, 27 (8.9%) respondents generally disagreed, 36 (11.9%) respondents somewhat agreed, 131 (43.2%) respondents generally agreed and 88 (29%) definitely agreed, it is the determination of the respondents that for the efficiency of managing the marketing executives in Nigerian banks, managers are to bear prime responsibility for identifying and implementing efficiency-enhancing improvement of the marketing executives in Nigerian banks.

Having an overall mean response of the 3.79, the respondents believe that management is responsible for setting the context within which efficiency improvement can take place and bear prime responsibility for identifying and implementing efficiency-enhancing improvements of the marketing executives in Nigerian banks.

Test of Hypothesis

The research hypothesis states that ***management is not responsible for setting the context within which efficiency improvements can take place and bear prime responsibility for identifying and implementing efficiency-enhancing improvements of the marketing executives in Nigerian banks***.

Using the data presented in table 1 above, the Generalized Linear Model was used in testing this hypothesis. The results are presented below.

Table 2: Categorical Variable Information

			N	Percent
Factor	Q2	definitely disagree	6	2.0%
		generally disagree	8	2.6%
		somewhat disagree	20	6.6%
		generally agree	176	58.1%
		definitely agree	93	30.7%
		Total	303	100.0%
	Q3	definitely disagree	21	6.9%
		generally disagree	27	8.9%
		somewhat disagree	36	11.9%
		generally agree	131	43.2%
		definitely agree	88	29.0%
		Total	303	100.0%

Source: Field Survey, 2014

Table 3: Continuous Variable Information

		N	Minimum	Maximum	Mean	Std. Deviation
Dependent Variable	Q1	303	1.00	5.00	3.4587	1.28830

Source: Field Survey, 2014

Table 4: Goodness of Fit[b]

	Value	df	Value/df
Deviance	51.393	294	.175
Scaled Deviance	303.000	294	
Pearson Chi-Square	51.393	294	.175
Scaled Pearson Chi-Square	303.000	294	
Log Likelihood[a]	-161.144		
Akaike's Information Criterion (AIC)	342.287		
Finite Sample Corrected AIC (AICC)	343.041		
Bayesian Information Criterion (BIC)	379.424		
Consistent AIC (CAIC)	389.424		

Dependent Variable: Q1
Model: (Intercept), p3b, p3c

a. The full log likelihood function is displayed and used in computing information criteria.

b. Information criteria are in small-is-better form.

Table 5: Omnibus Test[a]

Likelihood Ratio Chi-Square	df	Sig.
690.102	8	.000

Dependent Variable: Q1
Model: (Intercept), p3b, p3c

a. Compares the fitted model against the intercept-only model.

Table 6: Tests of Model Effects

Source	Type I			Type III		
	Likelihood Ratio Chi-Square	df	Sig.	Likelihood Ratio Chi-Square	df	Sig.
(Intercept)	638.721[a]	1	.000	437.281	1	.000
p3b	371.821	4	.000	25.495	4	.000
p3c	318.281	4	.000	318.281	4	.000

Dependent Variable: Q1
Model: (Intercept), p3b, p3c

a. Compared against the null model.

Table 7: Parameter Estimates

Parameter	B	Std. Error	95% Wald Confidence Interval		Hypothesis Test		
			Lower	Upper	Wald Chi-Square	df	Sig.
(Intercept)	4.739	.0439	4.653	4.825	11649.968	1	.000
[p3b=1.00]	-1.056	.3361	-1.714	-.397	9.866	1	.002
[p3b=2.00]	-1.056	.3254	-1.693	-.418	10.525	1	.001
[p3b=3.00]	-1.056	.2458	-1.537	-.574	18.437	1	.000
[p3b=4.00]	-.270	.1878	-.638	.098	2.065	1	.151
[p3b=5.00]	0[a]	.	.	.	.	.	.
[p3c=1.00]	-2.683	.2943	-3.260	-2.106	83.138	1	.000
[p3c=2.00]	-2.683	.2221	-3.118	-2.248	145.987	1	.000
[p3c=3.00]	-2.191	.2047	-2.592	-1.790	114.549	1	.000
[p3c=4.00]	-.739	.1893	-1.110	-.368	15.218	1	.000
[p3c=5.00]	0[a]	.	.	.	.	.	.
(Scale)	.170[b]	.0138	.145	.199			

Dependent Variable: Q1
Model: (Intercept), p3b, p3c

a. Set to zero because this parameter is redundant.

b. Maximum likelihood estimate.

Table 4 shows the result from the Goodness of Fit test. From the high values of Pearson Chi-Square and Scaled Pearson Chi-Square presented, Goodness of Fit is established. Table 5 shows the Likelihood Ratio Chi-Square result of 690.105 ($p < 0.05$) for the Omnibus Test which established an association between the fitted model and the intercept-only model of the study. Table 6 shows the Type I and Type III Test of Model Effects results, which gave high likelihood ratio chi-square values ($p < 0.05$). The results showed that the intercept, questions 2 and 3 had effects on question 1.

The hypothesis test results gave significant values of Wald Chi-Square for the intercept and individual response categories of question 2 and 3 ($p < 0.05$) with the exception of the response of generally agree ($p > 0.05$) and definitely agree (no computed Wald Chi-Square result). This indicated the significance of the results. Based on this, the null hypothesis is rejected. Hence, management is responsible for setting the context within which efficiency improvements can take place and bear prime responsibility for identifying and implementing efficiency-enhancing improvements of the marketing executives in Nigerian banks.

Discussion of Research Findings

The discussion would be opened with a brief explanation of the words "effectiveness" and "efficiency" used in the work for proper understanding. The study identified that the words "effectiveness" and "efficiency" go together in the literature of organizations. Many writers see them as the twine objectives of all purposive or organized activities, namely the achievement of objectives (effectiveness) at minimum cost (efficiency). But, are they different concepts that typically go together? Or are they mere synonyms used rather flamboyantly to measure the same human or organizational performance? Either way, what meaning should be attached to them? Initially, the terms "effectiveness" and "efficiency" were used almost synonymously. Thus, Simon (1957) cited the Oxford Dictionary's definition of efficiency as "fitness or power to accomplish, or success in accomplishing the purpose intended, adequate power, effectiveness, efficiency. Later on, it was pointed out that efficiency

acquired a second meaning-the ratio between input and output, between effort and results, expenditure and income, and cost and the resulting pleasure. This second meaning became current in business and economics, only since the beginning of the twentieth century. Still later on, influenced by the scientific management, efficiency was defined as the ratio of actual performance to the standard performance. Roethlisberger and Dickson (1966), believe that the word "efficiency" is used in at least five different ways. Three of these are:

1. In a technical sense, usually of machines when it is the ratio between input and output.
2. In a manufacturing process or operation as the relative unit cost.
3. When applied to a worker, as the relation between actual output and a standard output.

Machin (1973) has argued that if in a given managerial situation the requirements of efficiency and effectiveness would call for the same action, then the two terms are merely tautological and unhelpful. It was asserted that effectiveness refers to the extent to which output is in line with organizational objectives while efficiency describes the relationship between resources consumed in the process of generating effective output and the output so produced. The relationship between these two terms is shown in figure 1 below. The figure shows that in their finest meaning, input in relationship to output determines efficiency, while the same output related to organizational objectives determines effectiveness. Now, drawing from the views of these authors, one observes that the word "efficiency" may in different contexts, refers to the relation between input and output, effort and results, expenditure and income, actual performance and standard performance, and between actual and maximum possible results. In other words, the term "efficiency" tends to be used rather loosely by laymen and experts alike. In popular parlance for marketing executives in Nigerian banks, effectiveness and efficiency are used interchangeably as they were used in pre-twentieth century in Europe. The lack of unanimity in the use of the terms is unfortunate because, according to Simon (1957), the criterion of efficiency and the individual's organizational identifications or loyalties are the most important of the premises supplied by the individual in organization decision marking. But unfortunately, the exact meaning of the criterion itself is in doubt.

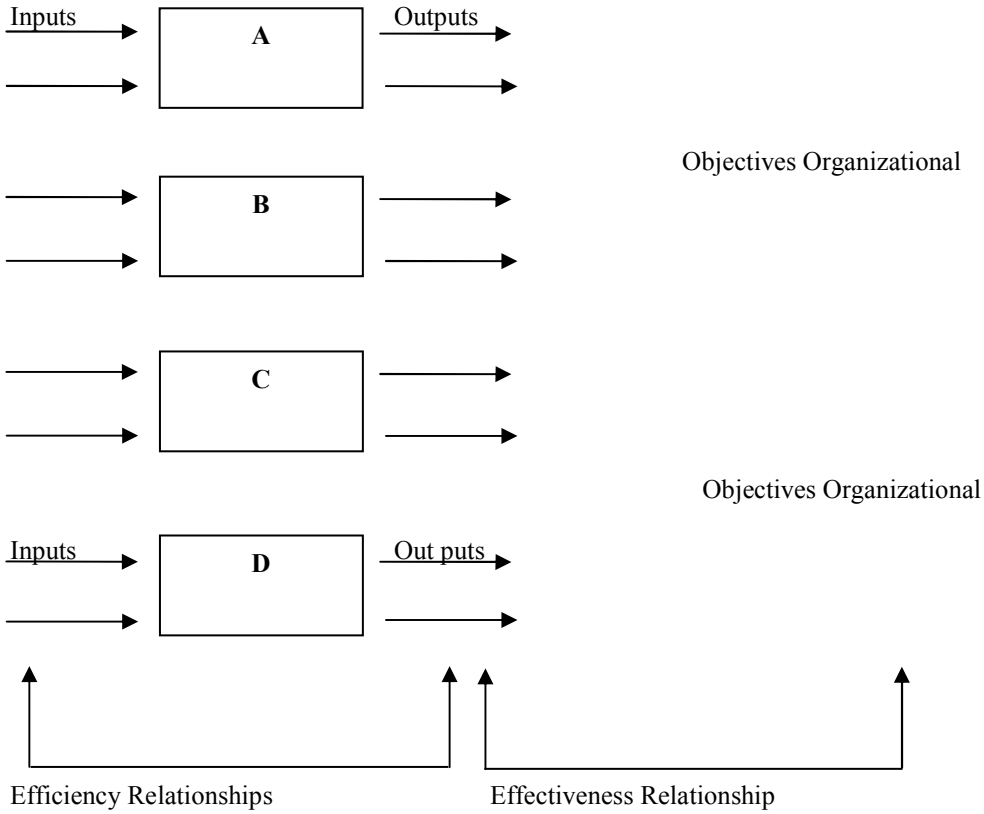

Figure 1: *Efficiency and Effectiveness in Relations to inputs, outputs and organizational objectives.*
Source: Machin J. (1973) "Measuring the Effectiveness of an organization's management control systems: the Expectations Approach" *Management Decisions,* II (Winter): 261.

While efficiency is concerned with measuring the ability of inputs to produce outputs, or the relationship between performance and standard, inefficiency is concerned with measuring the failure of inputs to achieve

desired outputs, the gap between actual performance and expected performance, and between results and efforts. However, it is considered necessary in this study to use the term inefficiency rather strictly by extracting a difference between what have been called:

1. Technical or objective inefficiency (Ine-T), and
2. Perceived or subjective inefficiency (Ine-P).

This study would define technical inefficiency (Ine-T) as the ratio of effort to rewards or of inputs to outputs. The wider the gap between effort and results, the higher the degree of technical inefficiency. On the other hand, perceived inefficiency (Ine-P) is defined as the ratio of perceived performance to expected performance or demand output, where expected performance may be less than, equal to or greater than the maximum output technically possible and where the level of expected performance is determined by the organization's interest groups, especially its marketing executives and customers. In other words, perceived inefficiency measures the inability of an organization's inputs to achieve its interest group's determined objectives. In making this distinction, this study is incorporating into its model, Machin's Expectations theory which states that organizations are formed to meet the expectations of a range of other organizations and individuals. With the dimension of expectations introduced into the Nigerian banks objectives, it is now argued that the wider the gap between actual performance and expected performance, the higher the degree of perceived inefficiency (Ine-P). Thus, given that O stands for Output, I stands for Input, Od stands for Demand or Expected Output, Op stands for Perceived Output, and Om stands for Maximum Output possible with given inputs, when:

$$Od \underset{>}{\overset{<}{\_\_}} Op \underset{>}{\overset{<}{\_\_}} Om$$

$$\text{Then} \quad \text{Ine-T} = \frac{I}{Om}$$

$$\text{And} \quad \text{Ine-P} = \frac{Op}{Od}$$

The distinction between technical and perceived inefficiency is necessary if this analysis is to be of any operational use. In the short-run, a system that is perceived to be inefficient may in fact be technically efficient because the various factors of production may be producing maximum results with the resources available to them. A bank in Nigeria that cannot meet the demand of the customers because it lacks qualified marketing executives to competitively manage the main accounts may be perceived to be inefficient, although it may in fact be technically efficient. On the other hand, a bank in Nigeria that is perceived to be efficient in managing its marketing executives may in fact be technically inefficient, because the inefficient utilization of some of its systems may be covered up by the results achieved by or through its other subsystems. A bank that reports handsome profits in a period of managing distressed marketing executives fits into this niche. It is the same with the purported higher efficiency of many contemporary consolidated banks in Nigeria. However, it is necessary to point out that if, as Machin (1973) asserts in his Expectation Theory, it is the function of the bank manager to perceive, and interpret accurately, the legitimate expectation held of its top management, and adjust to it, then in the long-run the distinction between technical inefficiency and perceived inefficiency would appear. This study therefore acknowledged the term "inefficiency" to mean perceived inefficiency from this discussion. That many Nigerian banks are inefficient in managing their marketing executives is not in dispute (Uduji, 2013), although this study have tried to show that some of these inefficiencies are not technical or objectives but rather perceived. Basing this analysis on these two views of inefficiency of managing the marketing executives in Nigerian banks can be classified under two broad categories in terms of its causes, which are as follows:

First, deliberate or voluntary inefficiency of the marketing executives, which can also be referred to as primary inefficiency, using primary in the sense it is used in research. Since this type of inefficiency is deliberate, a marketing executive who has a change of heart can on his own accord reduce or eliminate this type of inefficiency immediately. Under this group are the types of inefficiencies deliberately created by the bank managers for their selfish purposes? These are of two types. Greed-Motivated inefficiency is the type of inefficiency initiated by the get-rich-quick bank managers that are bent on capitalizing on the fact that given the right circumstances, inefficiency makes the well-placed rich and powerful. A bank manager that cannot discipline, to bring back the errant marketing executive to the path of rectitude because himself is also guilty and is benefiting from the inefficiency typifies this inefficiency type. While in the case of Retaliatory Inefficiency, the marketing executive is deliberately inefficient as a way of having his own back on an "inefficient and corrupt bank management. A marketing executive who slows down his pace of pursuing his target because he perceives that he is not getting commensurate reward or that other marketing executives are "making it without working that hard and meeting the target" typifies this group. So is the bank manager who sees himself unwilling to reward the efforts of their marketing executives because he feels that the bank system has almost settled for

lower standard performance, whatsoever.

Second, induced or involuntary inefficiency of the marketing executives, which can be referred to as secondary inefficiency, again using secondary in the sense that it is used in research. Put simply, the marketing executive is inefficient because someone (a manager) else upstream was inefficient. These are of four types, as explained below. The derived inefficiency, which is caused by the inefficiencies of supporting institutions. This arises from the fact that in any system, the output of one subsystem may be the input of another subsystem, which transforms it (along with other inputs) into other outputs, which in turn are the inputs of yet another subsystem. Substandard inputs tend to yield substandard outputs. Thus a marketing executive who spends the whole day away from the bank work because he spent the whole day in the hospital to visit the doctor is a victim of derived inefficiency. Inefficiency therefore has a negative multiplier effect in Nigerian banks. Again the culture-induced inefficiency which arises from the attitude that paid employment is "white man's work" or "not my father's work", and it is therefore not worth exerting oneself in work performance. That many female marketing executives seek employment in Nigerian banks in order to hover around major account holders and work less is well known. Also, the bank manager-induced inefficiency, which is brought about when the bank manager himself is inefficient, gives a bad example, stifles initiatives and is unwilling to control the marketing executives, probably he fears to act lest his weaknesses are revealed. The fact that it is recommended for bank managers to be exposed to training suggests that managers in Nigerian banks can and do induce inefficiency. Setting a good example by the bank managers to the marketing executives is pivotal to efficiency in Nigerian banks. Additional, the structural inefficiency, which is brought about when the recruited marketing executives lack the necessary physical and mental capacity for their jobs due to inadequate education, training, experience or health. In other words, suggesting that some marketing executives are inefficient simply because they do not know what to do, how to do, when to do and lack the physique to do it. The existence of the derived, manager-induced and structural inefficiency types underlines the fact that a marketing executive whose output falls below standard as a result of these inefficiency types is strictly speaking not technically inefficient, since he is "doing his best" to meet the set target under given conditions. The failings of such marking executives are simply cases of Ine-P.

Conclusion and Recommendations

Granted that the consolidated banks in Nigeria would benefit less with inefficiency, and that the task of reducing inefficiency in managing the marketing executives is uphill, how best can top bank management in Nigeria plan and execute an efficiency drive? Applying *Kaizen* principle can be the mindset of improving continuously that should be internalized within Nigerian banking culture. Attention to small details can result to reducing inefficiencies than the competition. The Kaizen principles from a management perspective for marketing executives in Nigerian banks can be composed of the following:

- Marketing executives (Human capital) can be the most important aspect of the Nigerian banks.
- The completion of certain marketing goals in Nigerian banks may not be done by drastic change; it could be done by increments over time.
- The changes in managing the marketing executives in Nigerian banks can be documented and recorded for analysis.

Therefore, in terms of the operational strategy, a programme for reducing inefficiency in managing the marketing executives in Nigerian banks should be based on three major premises, namely:

- That some marketing executives in Nigerian banks are inefficient because they do not know what to do in given situations (structural inefficiency).
- That knowing what to do, some marketing executives in Nigerian banks are inefficient because they do not want to do the right thing in given situation (primary or voluntary inefficiency).
- That knowing what to do and wanting to do it, some marketing executives in Nigerian banks are still inefficient because they cannot do the right thing in given situations (secondary or induced inefficiency).

Underlying these premises is the fundamental assumption that managers and marketing executives in Nigeria banks, not machines and tool, can be held responsible for inefficiency in drive for customers. Given these premises and the underlying assumption, an efficiency drive can be successfully executed by adopting a 3H and Strategy. The H's stand for the Head, the Heart and the Hand of Management and the Marketing executive.

1. The H1 strategy: Ignorance is a major factor in inefficiency in managing the marketing executives in Nigerian banks. Fortunately, it is the easiest deficiency to tackle. The HEAD Must be taught what to do through massive qualitative and functional education and training. Bank managers must be continuously (*Kaizen)* exposed to management development programmes, and Marketing executives to massive training and re-training in the skills for 21st Century customer drive philosophy.
2. The H2 Strategy: At the same time that the men's and female's mental powers are being developed and their manual dexterity sharpened, every effort should be made to inculcate in bank managers and their marketing executives the right attitude towards work, since the remedy for this inefficiency could lie in a continuous

improvement of the systematic management, rather than searching for some unusual or extraordinary men and women. Nigerian seems to have found the "extraordinary" men and women in the banking industry, but how far have they gone in the face of the distressed banks and consolidation. The gloomy market potential which sound management principles face arises out of the fact that sound management principles cannot install themselves in a bank, but can only be installed by managers, some of whom might be benefiting from the operation of unsound management practices. It is therefore essential that the hearts of the entire managers and marketing executives be made sensitive, in order for them to identify with the goals of the banks, to see how their actions contribute towards the achievement of these goals, and to appreciate the true cost of inefficiency, so that it could be imbued in them the courage to part with the spoils of inefficiency and, always at all times, to strive for higher productivity in managing the marketing executives in Nigerian banks. It also includes finding ways and means of restoring the dignity and pride of the marketing executive, such that he seeks intrinsic rewards more than monetary ones. Though simple in concept, this strategy is probably the most difficult to implement successfully.

3. The H3 Strategy: With adequate training for the head and sensitivity of the heart, there should also be adequate equipment for the Hand. Bank management must provide the marketing executives with the right tools, laptops, Ipads, Iphones, executive offices, executive cars, dressing allowances, other inputs, and appropriate material incentives of their job. Effectively implemented H1 and H3 strategies lead the "horse" to the organizational stream of efficiency, while the H2 strategy makes the "horse" drink with relish. Efficiency and Effectiveness would result in managing the marketing executives in Nigerian banks. The effectiveness of the 3H grand strategy will be drastically reduced unless the critical inputs into the system are first identified and exposed to this grand strategy. For example, passing marketing executives through the grand strategy would not change much unless the bank manager and supervisors had earlier passed successfully through it. Exposing an entire subsystem to the 3H grand strategy would also not achieve much unless other subsystems which provide critical inputs for it had already been appropriately transformed. It is therefore essential for a bank management introducing an efficiency drive to identify the factors that provide the critical inputs to his organization, and pass them through the 3H transformation process first. This critical factors have been referred to as the "cross roads" in this study. For just as traffic on a highway cannot flow freely unless the cross roads are cleared, no organization can function efficiently unless its critical inputs are functioning very efficiently. A crossroad subsystem in a total system is therefore that system whose output provides the most important input into another subsystem, or whose output serves as a vital input to many other subsystems. In all organizations, the top management is one such crossroad. The crossroad (top management) in Nigerian banks must be transformed first through the 3H grand strategy if any efficiency drive for managing the marketing executives is to yield any fruit.

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