

**IMPACT OF OPERATIONAL EXPANSION
IN BANKING INDUSTRY
(A CASE STUDY OF FIRST BANK PLC)**

BY

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**BEING A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF
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CERTIFICATION

This research work has been read and approved as meeting the requirements of Department of Banking and Finance, Institute of Finance and Management Studies (IFMS), Kwara State Polytechnic, Ilorin, and was carried out by **ODOFIN TUMININU ABIODUN** with Matriculation Number **HND/23/BFN/FT/0071** It was discovered to meet up with the standard required for the award of Higher National Diploma (HND) in Banking and Finance.

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DEDICATION

This project is wholeheartedly dedicated to Almighty God, who made all things possible.

This project is also dedicated to my parents who has never fail to give us financial and moral support, for giving all our needs during the time will develop our own goal.

ACKNOWLEDGEMENT

My gratitude goes to Almighty God, the creator of heaven and earth, the beginning and the end, for seeing me through my years in the kwara state polytechnic.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF STUDY

Marketing refers to those activities involve in flow of goods and services from production to consumption involving buying, selling, advertising, standardizing and the need for marketing in banking.

Traditionally, the need for marketing in banking was not recognized because for a very long time, banking has been a seller market while most customers had the impression that they were privilege to enjoy the service of a bank. Another reason that marketing as a discipline has a strong good inclination because services possess some characteristics which limit, the extent to which techniques of marketing could be applied.

Services cannot be inventoried and there can be no standardized specification. This is not possible to put services on display for appeal to the sense of taste, smell, sight, or touch. Utility is in performance rather than in possession and utility does not lie in any physical characteristic where samples could be shown to attract patronage in the modern business world the word marketing is controversial for instance it is said to be a reducing agent to a unit cost of a product by the creation of mass demand while on the other hand, it is seen to be wasteful in the sense that consumers pay more for product that is advertised.

Marketing is not a science that if strictly applied will definitely lead to a predictable result at the time. It is not an instrument that can restore a poor product

or services and it is not so designed to rejuvenate a declining market. In essence it plays significant role toward the growth and development of services, if contributes positively towards the upliftment of the image of a business.

Marketing among others, play the following may or roles in the life of any business. If is designed to make know to the public that a particular product or service or product that particular product or services is actual available by giving more detail technical native of a service or product, such as specification and use of the product

- If is designed to make known to the public that a particular product or services is actually available by giving more detail technical native of a service or product, such as specification and use of the product.
- it is used to persuade the public about any companies product or services. The objectives of the persuade is to be included in the market.
- strategic to exercise a preference for the service or product being pit in the market as against competing product or services.

This is equally achieved by uncovering the composition, the usefulness and the benefit of the product or services of a particular company to the public.

The advertising remains the dominance from the strategy by acquiring the consumer with the value of a product or services, advertising writers the market and improves the acceptance of the product or services.

The rate of whiten new product are being developed is another exciting aspect of the Nigeria banking system today. Most especially first bank of Nigeria plc

introduced mobile banking in terms of carrying banking facilities to the customer and attracting the unbanked.

So, marketing executives must develop strategy in satisfying customers what and generating profit for their banks. An attempt to know the most satisfying services, right channel to be adopted and the promotional strategy to apply leads to measuring the degree of effectiveness of these strategies .

Ever since its establishment the Nigeria deposit insurance corporation (NDIC) has consistent with its mandate as provide in Nigeria deposit insurance corporation degree, continued to ensure the sound banking system the sanitization of the banking sectors has remained the primary forces of the corporation activities through the adoption of appropriate failure resolute option and effective implement action of various laws promulgate by the government to stem the tide of distress in the system.

1.2 STATEMENT OF THE PROBLEM

In the area of competitive and dynamite business environment, an organization tends, to face some problem training and development of manpower resources are inevitable and mostly be the cause of operation expansion in an organization mostly vital in the banks in attainment of their objectives.

In the with recent changes in business circles human resources department (HRD) have come to stay. This department is usually responsible for handling matters on training and development while personnel and administrative department which have been in existence are still in charge of all other matters. This is done to ensure

that all employees are assisted with programmes to enable them acquire additional knowledge, skill and attitude with which to perform their jobs.

It is common knowledge that most companies recognize that most their principle asset lies within the skill of their employee at all level. Therefore, this research work is aimed at finding answer to questions relating to the impact of operational expansion on banking system.

Thus are some at the problems military against the distressed banks in Nigeria.

- i) Incompetent bank management: most at the management terms at problem banks not competent enough to address the issues of distress squarely.
- ii) inadequate debt recovery process: the legislative provision is sluggish, cumbersome and does not encourage speedy recovery of bank debts
- iii) political factor: the harmful effect of the toll on business enterprises as well as on the banks. A politically stable economy is necessary for effective performance of Nigeria banking industry.
- iv) Macro-economic recession: The depressed condition has continued to adversely affect the operation of most banks especially the distressed ones.

1.3 RESEARCH QUESTIONS

Research questions would be addressed by the research work includes the following.

- i) What is banking system?
- ii) Why does Nigeria banking system need to be expanded?

- iii) What are the impact of operational expansion in Nigeria banking industry?
- iv) What are the various problems feed by Nigeria banking industry during/before their expansion.

1.4 OBJECTIVES OF THE STUDY

Objective of the study explains what the writer intends to achieve at the completion of the study: in view of this principal aim of study is based on how to test the expansion of operation of banking industry in Nigeria through training and development of the staff/ employee in the bank industry.

In addition, it carefully outlines the stages of marketing strategies as:

- 1) Identifying
- 2) Planning on the marketing objectives and mix to appeal to this target group, with due regard to internal circumstances.
- 3) Attention to external forces.
- 4) To make a policy recommendation on the findings.

The research is f importance at determine the rationale behind customers

Preference for certain services, so that marketing executive will be able to manipulate the marketing mix which are product (service) price promotion and channel distribution.

1.5 RESEARCH HYPOTHESES

In an attempts to achieve a thorough analysis of this study hypothesis are needed to give forces and direction to study.

A hypothesis is a specific declarative statement of tentative nature whose validity is to be established by resources to empirical findings for proper analysis of the study the following hypothesis has been formulate to assist in giving forces and direction to the resources work.

HO: represent null hypothesis

HI: represent alternative hypothesis

HO: the operational expansion does not have any impact in the regulation of Nigeria banking sector.

1.6 SIGNIFICANCE OF THE STUDY

The significance of this study is to improve employee's performance and provide a suitable trained staff to meet the present and future needs of banks.

Employee's knowledge and skills have to be improved and his attitude and behaviour modified.

Training and development of employees therefore is directed at improving the quality of work for better and effective executives of corporate programmes and realization of individual objectives.

Further research is needed to this study to know the cause, effect and implication of failed expansion of Nigeria banking industry as well as appraised of impact at Nigeria Deposit Insurance Corporation (NDIC) till date in the management of distressed and failed banks operation expansion.

1.7 SCOPE AND LIMITATION OF THE STUDY

This study is intended to cover the main operations used in the expansion of banking operations, the relevance of training and development programme? How such activities could be improved upon now and in the future and constraint, encountered in the process of carrying out the activities.

LIMITATION OF THE STUDY

During the course of this research work, the research encountered number of constraint which almost increase the successful conduct of this project.

- i. **FINANCIAL CONSTRAINTS:** Research was handicapped with adequate financial resources. The fund regulated for this research transportation cost, typing and binding of the project work all these made the research effort seriously demanding.
- ii. **LACK OF THE CORPORATIO OF THE RESPONDENTS:** This respondent give responses in most cases did not give true and appropriate responses while some said they have no comment to give.
- iii. **LACK OF NECESSARY TEXT BOOK:** Only few textbooks were available of the sub material in most of them were on loans. This posed a services challenge to the researcher.

1.8 DEFINITION OF TERMS

Operations strategy: this refers to the process of managing resources to meet long-term goals within an organization for a business undertaking a product expansion, goal are likely to include expanded customer base, increased revenue and higher profits.

Deposit: A sum of money or other asset given as an initial payment, to show good faith, or to reserve something for purchase.

Institution: An organization especially one dedicated to public service or the care of the destitute.

Monetary: This economic business that produces goods as opposed to services.

This is a term used to describe items like calendars, pencils, pens, keys, shopping bags and memo pads that an advertiser gives to a target, prospect without charge and that repeated exposure exposes the prospect to the advertiser's name and message.

Insurance: This is an indemnity against a future occurrence of an uncertain event.

Distress: A seizing of property without legal process to force payment of a debt.

Corporation: A group of individuals created by law or under authority of law, having a continuous existence independent of the existence of its members.

Establishment: This is a state of being founded.

License: This is a state of being permission to do something.

Integrity: This quality or condition of being complete and pure.

Target market: This is the term often used to describe the part of the total market comprising the most product, willingness to buy it and the ability to pay for it.

Demographic: These are the characteristics of a population including sex, age, income level, marital status, geographic location, occupation and statistical classification into which people can be separated and used for advertising purposes.

Comprehensive: This term refers to advertising layout chosen to be presented to look as much like the finished advertisement as possible.

Marketing channel: this is a method of organizing the work to be done to make goods from producers to consumers.

Marketing mix: This particular blend of controllable marketing variables that firm uses to achieve its objectives in the target market.

Marketing segmentation: The act of dividing of market into distinct and meaningful group of buyers who might merit separate products and or marketing mix.

Marketing strategy: the fundamental marketing logic by which the business intends to achieve its marketing objectives, it consists of a coordinated set of decisions on; target market, marketing mix and marketing expenditure level.

Marketing: The human's activities directed at satisfying needs and wants through exchange process.

1.9 PLAN OF THE STUDY

For clarity and better understanding of this research work, the content of this study will be divided into five (5) chapters.

Chapter one of the study contained general introduction, statement of the problems, objectives of the study, scope of the study, research question, hypothesis, limitation and constraint of the study, and lastly the definition of related terms.

Chapter four focuses on presentation and analysis of data collected from the above chapter. Chapter five contains summary of findings, conclusion and lastly the recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0 LITERATURE REVIEW

The literature review on this topic are many but the most important aspect is the rationale behind the need for marketing by our commercial banks and other financial institutions for productive services. According to professor must be introduced with suitable marketing campaign to arouse the interest in it. The path for expansion in output must be paved by suitable expansion in marketing budget.

Bank in Nigeria are now adopting the full marketing concept and are now bringing into focus, the need for application at the complete marketing mix, Afolabi, (1938) Kotler (1980) define marketing as an human activities directed process. Marketing is also "the set of activities by which the demand structure for goods, ideas and services is managed in order to facilitate the exchange process satisfactorily" Bucll and Heyeie. (1970)

According to Alhaji. (1998) Marketing was define as " all business activities aimed at planning, pricing, promotion and distributing good and services to the benefit of present or potential consumer or user at a profit. Marketing therefore implies findings out what consumers wants and meeting their need through satisfactory product or services at profit"

There are characteristics which limit the extent to which technique of marketing could be applied in banking industry. The absence of middle let most service industries (e.g banking industry is perhaps another major reason why delay in the application of

marketing techniques to services persist because in that case, the marketing effort at the various stages of the chain at distribution would be lacking, Afolabi (1988).

Sorunke S. (1989) said bank marketing was first developed in the United States of America and was defined as " the part of management activity seeking to direct the flow of banking services profitably select customers.

The need for marketing in banks stems from intense competition, not just from other banks, but also financial companies, loan associations, credit unions insurance company society's e.t.c. all competing for customer's funds and their financial services needs, the recent increase in capital base to 25million to all commercial banks in Nigeria has however changed the situation. Officers from various banking establishments now queue either to be a prospective customer or to retain existing ones. Competition is now the key work in the industry and banks are striving hard to get a fair share of whatever good business there is. The packaging of financial services, has subsequently changed for better and new avenue gradually being explored to satisfy customer requirement; Usman, (1996).

To cap it all, Afolabi (1988) said "however, not even a casual observer will find it difficult to notice the tremendous changes that has taken place in the banking industry in the few decade.

2.1 CONCEPTUAL FRAMEWORK

For proper functioning of any organization, we must understand the concept of planning in that every organization and what planning in that ever organization and what planning entails.

Planning – concept meaning and scope: This serves as the base or foundation chapter of this hand book it aims to bring out defend dimensions of the concept of planning and discuss its scope and application as an important instrument for professional, and personal growth and development of an individual. Hopefully. Our discussion will attend to your concern and queriesont he concept of planning and clear your thought on the cave issues related to it, it is imperative that we come to an understanding on certain fundamental about planning before we take the process forward to consider more creedal areas at a planning

Planning as an organized programmed, designed to aid the employee's performance through the imposition at job skills and knowledge, failure at most organization was attributed to lack of employee planning and development as the job activities remain boring to untrained personal employee. Development refers to teaching managers and professional skill needed for the both present and future jobs.

Faring and mangers development are therefore a mixture at activities aimed at improving the performance at personal in organization for the attainment at continuous improvement in productivity in the organization one at the factor, militant against the good performance of employer is in adequate.

Trading is the systematic planning and development of analysis of its contribution to the effectiveness and efficiency at an organization.

Nwachukwu (1988) sees planning as organization effort aimed at helping the employee acquire basic skill, in the contribution cases (1996) see planning as consistent plan program design to improve performance at the individual group in related work Aina (1992) see planning as the acquisition of the technology which permit employee perform according to standard.

To Banjoko (1996) planning is an organization procedure by which people learn knowledge and skill for a learning purpose that is it a process for equipping the employee particularly the non-managerial employee.

Planning in view of Deconze and Robbins (1996) is a learning experience in the it seeks relatively permanent change in an individual that will improve its ability to perform job.

Deconze and Robbins see planning as more present day oriented. Its focus is on individual current jobs exchanging those specific skills and abilities to immediate performs than job.

To Dresler et al (1999), planning is the process of teaching employee the knowledge or skills they need to better perform than current jobs. That is planning aims to help employee meet the goals at the company as well as their own goals.

To Nankervis, et al (1999) planning is any procedure initiated by an organization to foster learning among organization member.

Ofodaft (1988) said development refers to teaching manager and professionals the skills need for both present and future job.

The focus at all aspects of human resources development is on developing the most superior workplace so that the organization and individual employees can accomplish their work goals in services to customer organization have many opportunities for the workplace.

Human resources development has been define as empowering people by fostering the contribution capacities that they can bring to the improvement of their own quality of life and that of their families, communities enterprises and societies.

A comprehensive cross sartorial and integrated human resources development approach that is sensitive to gender considerations and attained to specific needs of vulnerable populations hold be adopted, incorporating multiple vital areas such as population, health nutrition, sanitation, employment e.t.c. effort should be not to confine these dimension of human resources.

The process of learning the skill you needs to do a particular job are actively the process or routine at is teaching or developing in oneself or others any skills and knowledge that relate to specific useful competences.

Planning has specific goal of improving capability, capacity, productivity and performance. It from the care of apprenticeship and provide the back bone of content at institutes at technology also known as technical colleges or polytechnics. In addition to the basic planning requires for trade=, occupations or profession observes of the

labour market recognized as of 2008 the need to continue beyond initial qualification to maintain upgrade and update skill through working life.

Planning can be define as anon going of teaching new employee the basis skill, they need to perform their task effectively and effeiciently is a start term skills development campaign intended to impact the basis skill, therefore it can be said that planning rate to systematic procedure to improve performance in case of FIRST BANK PLC. Which is a leading banking institution in Nigeria with many years of banking experience, the former name of the bank was Barelays bank of Nigeria ltd, but because of government low that all foreign forms should be indigene if a name was change to **FIRST BANK OF NIGERIA PLC.**

The bank commenced operation, in Nigeria 1917 there was incorporate to a public limited liability company it was converted to a public company in 1970 today bank was diversified into a whole range of banking activities are services including commercial merchant and international banking through computerization the bank was enhanced if lands at operation has responded to increasing competition, an efficient information management system has been introduces into banking operation in order to facilitate rapid response to customers.

However dynamic and progressive organization must be keep and technique especially now that the emphasis is an automation so organization can meet with the succeed it must identify and analysis problem factors surrounding it and where trained and development at human resources can solve them economically should plan and carry out their task.

IMPORTANCE OF PLANNING AND DEVELOPMENT

Planning present prime opportunity to expand the knowledge base of all employees but many employer find, the development opportunities expensive. Employees also miss out on work time while attending planning sessions which may delay the completion of project. Despite the potential draw back planning and development provide both the benefits that make the cost and time a worthwhile investment.

ADRESSING WEARNESS

Most employee have some weakness in their workplace skills, a planning programmed allows you to strengthen these skills that each employee needs to improve. A development program brings all employee to a higher level so reduce any weal links within the company who rely heavily on other to complete basic work task; providing the necessary planning creates an overall knowledgeable staff with work on terms or work improved employee performance.

An employee who receives the necessary planning is better able to perform her job because more aware of safely practices and proper procedures for basic tasks. The planning becomes more and may also build the employee confidence because headstrong understanding at the industry the responsibilities of job.

REASONS FOR PLANNING

Knowledge and skill development is vital to the health of organization. We live in a knowledge and information age organization are routinely value not just on their physical but on their intellectual capital. Planning is one of the chief methods of

maintaining and improving intellectual capital, so the quality that if viewed as an investment matter than as an expense can produce high returns.

Planning affects employee retention and is a valuable commodity. Organization effort aimed at helping employee to acquire the basic skills required for the efficient these situations of function for which they are hired. Development on the other hand, deals with activities duties and assumes positions of importance in the organizational hierarchy

Planning and development are often initial for employee or a group of employee in order to:

1. Relevantly remain in business
2. Create a pool at readily and adequate replacement for personal who may leave or move upon the organization.
3. Enhance the company ability to adopt and use advance in technology because at a sufficiently knowledgeable staff.
4. Building a more efficient and highly motivated team which at enhance the company competitive position.
5. Ensure adequate human resources for expansion new programs.

STRATEGIC PLANNING PROCESS

The most discussed concept in management is the strategic management under which there is strategic planning. According to Owolabi (2001), strategic management is a management process by which policies are formulated and strategies are selected to achieve the goal and objective at an organization. He further stated that the concept

of strategic management and objectives of an organization. He further stated that the concept management and strategic planning is that component of the strategic management system concerned with clarifying goal and objectives. Determine policy for the acquisition and distribution of resources. Establishing a basis for translating policies and decision into specification commitment.

He concluded that, strategic planner identify the long range need of community or organization explore the ramification and imprecation of policies and programmed designed to meet those needs and formulate strategic to maximize and minimize the native aspect at the foreseeable future. Strategic planning has been described by writer as the fountain head of all corporate progress.

Also, standard research institution in 1992 extolled strategic planning as a systematic means by which a company can become what it wants to become.

Bozemen Galen and Nphartak (1999) described strategic management as process by which policies, are formulated and achieved the goal and objective at an organization.

They further stated that the concept of strategic management and strategic planning is the composed interchangeably. Strategic planning is the component of strategic management system concerned with clarifying goal and objectives.

Earlier before, the managers manage their business without future plan. At the time they are interested only in today's world, with time, however, they began to set the need to anticipate the future and preparation for it by first preparing system and procedure for decision that must be used repeatedly, hereby creating time for

important decision. For the purpose of this study, the strategic planning will be used together with strategic management serve as the intelligence of organizational management which raise the level consciousness in management and provide valuable insight both to evaluate the parameters of efficiency that are attainable. Strategic planning of an organization and corporate planning in its own deals with plans which are developed for the effective, efficient and dynamic management of an organization.

Conclusively, the banks in the finance system should evolve a measure of strategic planning is a survival strategy. As a strategy planning make difference between success and future. Evidence has shown that most banks with strategic planning make difference between success and failure, and are most unlikely to fail things been equal the corporate plans usually, would integrate the short range medium and integrate manager and thus, provide a working document for ensuring growth, profitability and managing change in the exogenous environment.

The method starts with enterprise profile to determine where company is and where it shall go. The profile is shaped by people especially top management. The purpose and objective are the point towards which enterprise activities are directed. The environment that is the present and the future must be assessed in terms of opportunity and threat. Also as an audit of the internal environment and evaluation with respect of company must be taken strategic alternatives are then developed on the basis of internal and external environment medium and short range plans and lastly, test the plans for consistency and prepare contingency plans.

STRATEGIC MANGEMENT VARIABLE

Strategic management is selected bank established that there is positive correlation between strategic management and organization performance is come banks. According to Adeyemi (1992), here are three parameters that are considered in trying to investigation the relationship strategic planning and performance. They are:

- i. The organization environment
- ii. The structure of the organization and

The strategic decision making which includes mission and objectives, since the issue that concern the literature reviews on strategic planning and organization performance, a number of studies have proved that those companies that plan usually perform creditably well than those without firmed plan. In the study Wadna, D. and Malik A.Z (1955:10), raised the question that does long many planning improve company performance? Found that planners significantly out to informal planners.

STRATEGIC DECISION MAKING

These aspects of strategic management deals with who participate in decision making regarding strategic planning and those that do not. It also discusses the formulation of mission and objectives in the organization so, many management writers believe that participation decision making produce commitment and mission statement (a statement of organizations purpose in the environment) give directions to all member of the organization.

Iresanmi (1997): strategic decision process is characterized by novelty, complexity and open selfless. He also stated that decision that, decision. Another writer Ansoff (1998) stated that for corporate planning to work effectively it should be developed as an inter-organization and process to include relationship with outer organization and interest groups within the organization whose action decision are likely to have an impact on the firm. This is a consensus approach and suggests that employee should be consulted and involved in various stage of corporate planning. This may be ideal but involved at of time and could be delayed by multiplicity of the external environment and conflicting problems and opinion.

He also assumes that the employees could make meaningful contribution to corporate planning.

PORTFOLIO DIVERSIFICATION AS A STRATEGIC PLAN FOR GROWTH

Plans for business portfolio are very important in an organization. This is because of different types off risk that are present around the business environment. A rational invests or is expected to control risk to the bearer minimum and maximum return. In respect of this, in defining the best business portfolio, you must first analyze strength and weakness to environmental opportunities.

Hence, a bank can diversity portfolio in form of growth strategy. According to hall and Salsa (1998), he firm should be cognizant of the potential benefit at diversification of investment to achieve the best combination of not present value and minimum risk. The firms can diversity either through externally acquisition. Capital should be allocated so as to increase shareholders wealth. An optional combination

internal and external investment should be on that which maximizes the value at the firm to its shareholders.

Latene and Tuthe (1962) went further to demonstrate that the strategy of investment is in portfolio with the highest geometric means return in almost certain to result in higher terminal wealth position than any significant different strategy would in taking of portfolio

2.2 THEORETICAL REVIEW

The earliest planning effort revolve around on the job experience, if you were lucky you worked with at least one seasonal veteran who took you under his wing and guided you in proper technique and the tricks of the trade, if you weren't lucky, well planning was probably a matter of trial and error and your best protection against injury, was common sense in either care, before world war II the types of normal workplace planning programs that are common were may rare.

The cultural shift toward more formal planning really began in the 190 most significantly during the period many highs should began to incorporate vocational or trade, course into their curriculum, the practice of teaching young adult physical jobs skill in structured learning environment becomes the norms and began to care over to some workplace, still the concept of safety while and underline motivation was typically not a main work place.

Challenge 1: Different learning styles

Most of us now familiar with term visual and auditory learner when presented with important information some people must see it to truly understand it once they have visual everything fall, into place

Challenge 2: Generation gaps

Just as in 1970 the modern work is made up of distinct generation with different value, attitude and ways of learning that baby boomers are the senior generation the largest and the powerful in nation's history.

HUMAN RESOURCES MANAGEMENT

Human resources development lies at the heart of economic, social and environmental development, it is also a vital component for achieving intentionally agreed sustainable development goals and for expanding opportunities to all people particularly the vulnerable groups and individual in society human resources development (HRD) is the framework for helping employee develop their personal and organized skills, knowledge and abilities, human resources development include such opportunities as employee planning employee career development, performance management and development coaching mentoring, succession planning key employees identification tuition assistance and organization development.

ORGANIZATION STRUCTURE

Organizational structure of First Bank of Nigeria PLC is the diagrammatical representation of how the bank looks like, the working system at the bank as well as how information is moving within this entire system.

The structure reveals that apart from top management department the bank has at present ten departments each having at least for job sub section including legal department, inspection department =, corporate banking, commercial banking, investment banking , banking operation, credit risk management, management service, finance and performance management, retail banking , support services.

MARKETING MIX IN BANKING SERVICE

Marketing management in the efficient (optimal) utilization of the marketing mix which consist of four components namely; products or services, price, place of distribution and promotion. These component are often referred to as constitute the care at a bank's marketing system.

- 1) **PRODUCT (SERVICE):** Product which are taken to be service in the case of banking many generally be defined as a set of tangible and intangible attributes, including packaging manufactures and retailers services, which satisfaction.
- 2) **PRICE:** Price can be supply defined as a figure that equate a given amount of money to some total bundle of satisfaction or expectation. There are many things that determine the price of a product or service.

These include pricing objectives such as achieving target return an investment, to stabilize price, to maintain or improve share at the market, to meet and to prevent competition and to maximize profit.

There are also factors influencing price determination, namely manufactures cost, demand for the product target share of the market, competition reaction.

3. **PLACE OF DISTRIBUTION:** Hence, the available channel of distribution of banking services in Nigeria remain the traditional bank branches area and head office most banks have more than one outlet (branch) of service, in fact the tending has towards a large network of services points through which the establishment at branches reaches the vast market at the country.

At the branch level, the banks provide retail banking service. The area offices (commercial bank) serve as intermediate co-ordination and consummations of branch operations are affect at the head office.

4) **PROMOTION:** Promotion in the company attempt to stimulate sales by directing persuasive communication to buyers, it is difficult to promote intangible services benefits because it is easier to tell something that can be seen, felt and demonstrated (product). However, the difficulties, which the characteristics features at services pose to channel at distribution of channels, it can still be resolved by an effective promotional strategic promotional programme in a service oriented.

ORGANIZATION CONSISTS OF:

- 1) Portray the service benefit in a pleasant and appealing manner:
- 2) To differentiate its services from those of competitors.
- 3) To build a good corporate image and regulations. Promotional setting, publicity and sale promotions. All these are components of promotion, that are used different organization at one time or the other depending on their peculiar circumstances or corporate objectives.

However, the “promotions” frequency found in banking services promotion model

- A) Space advertising
- B) Television advertising
- C) Speeches (lecture)
- D) House publication (journals)
- E) Corporate publicity through the media
- F) Trade exhibitions
- G) Corporate identification programmed such as sponsoring conferences sports, consists and social.

2.3 EMPIRICAL FRAMEWORK

In the empirical literature, studies have shown that testing of the correlation among the variables of estimates would make the researchers to detect whether the variable have high multicollinearity among themselves. As a result the parameter estimates could be contradictory with what be expected, because of the unpredictable effect of multicollinearity (Agung, 2009; it ams al, 2006). However, Iyoha (2004) argued that multicollinearity among variables occurred when the result of the correlation coefficient is above 0.95. in line with this explanation, we conducted a correlation matrix among the variables used in this study and detected that there was strong correlation between EDHE i.e. government expenditure in education and health ($r=0.98$). In order to avoid multicollinearity among the independent variables, we then dropped government expenditure an education in our analysis as shown in the result

at the fully modified OLS (Ordinary Least Square). Bank can diversity portfolio in form of growth strategy. According to hall and Salsa (1998), he firm should be cognizant of the potential benefit at diversification of investment to achieve the best combination of not present value and minimum risk. The firms can diversity either through externally acquisition. The focus at all aspects of human resources development is on developing the most superior workplace so that the organization and individual employees can accomplish their work goals in services to customer organization have many opportunities for the workplace.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 RESEARCH METHODOLOGY

This explain how data were collected and processed together with the strategies employed in the research to obtain data from various project and how to give the data collected a further processing so that it can reveal the true picture of the situation

3.1 RESEARCH DESIGN

A common research design for studying the impact of operational expansion in the banking industry is a descriptive survey design. This approach involves collecting data through questionnaire or interviews to understand the current state and perception of various factors related to the expansion, such as efficiency, profitability and customer satisfaction. Other method like quasi experimental design or time series analysis, can also be used depending on the specific research question

Elaboration:

DESCRIPTIVE SURVEY DECISION

The design is often used when the goal is to describe the characteristics of a population or phenomenon. In the context of banking, it can involve collecting of data from bank manager employee and customers to understand their experience and perception related to operational expansion

TIME SERIES ANALYSIS

This approach involves analysis data collected over a period of time to identify trends and patterns. For instance, you could track the performance of a bank over time after

an expansion to see how its efficiency, profitability and customer satisfaction have changed.

The choice of research design will depend on the specific research question, the available resources and the desire level of detail. For example, if the goal is to identify the general opinion of bank customers about a new branch a descriptive survey might be sufficient. However, if the goal is to measure the impact of expansion on a bank financial performance, time-series approach might be more appropriate.

3.2 POPULATION OF THE STUDY

In the way of gathering and timely information on the research work, the survey was conducted and it was aimed of enabling the researcher to determine a particular situation from their action of their subject concern with the study. The reason of defining the population in research work is not just to identify the element but to enhance the measurement of certain characteristics which can eliminated and classified according to the requirement of particular survey. Furthermore, this research work on the entire staff and management of first bank plc. The staff case study are sub divided into two are senior staff from data available from the case study, there are fifteen senior staff and thirty five junior staff given to total population of fifty.

3.3 SAMPLE SIZE AND SAMPLING TECHNIQUE

A sample size is studies is examining the impact of operational expansion. In the banking industry can vary depending on the study's scope and methodology. Some studies use a sample of all listed banks within a specific region or country, while other focus on a subset of banks or specific branches. For example, one study focused on

15 listed deposit money banks in Nigeria, while customer included to observation from 7 listed commercial banks.

EXAMPLE

- i. One study used a sample size of listed deposit money bank in Nigeria
- ii. Another study utilized observation from listed commercial banks
- ii. A study focused on the impact of E-banking on operational efficiency used 138 customer questionnaire

Factor to consider when determining sample size statistical significance

A sufficiently large sample size is necessarily to achieve statistical significance, meaning that the result are not likely due to random size.

GENERALIZABILITY

A large sample size increase the generalizability of the findings to the broader population.

POWER OF THE TEST

Sample size is crucial for the power statistical test, which is the ability to detect a true effect if it exist.

In conclusion, there is no one size fits all sample size for studies on the impact of operational expansion in the banking industry. The appropriate sample size depends on the specific research question, methodology and resources available to the researchers.

SAMPLING TECHINQUE

Several sampling techniques can be used in a study on the impact of operational expansion in the banking industry, including stractified sampling, simple random sampling and purposive sample. These techniques help researcher select a representative sample from the effect of operational changes on various aspect like profitability, customer satisfaction and efficiency.

EXAMPLES

Stratified Sampling

This method divides the population (e.g all banks in a region) into sungroup or strata based in characteristics like size, location or type of banking services offered. A sample is then selected from each stratum, ensuring that all group are proportionally useful when there are significant differences between different types of bank.

Simple Random Sampling

Every bank is the population has an equal chance of being selected for the study. This method is straightforward and can be used when a detailed list of the population is available.

Purposive Sampling

Researcher use their judgment to select specific bank that are representative of the population or that are particularly relevant to the researcher question. For example, if the study focuses on the impact of a specific expansion strategy, purposive sampling might involve selecting banks that have implemented the strategy.

3.4 SOURCES OF DATA COLLECTION

The source of data collection in two research work were mainly PRIMARY & SECONDARY collection. Primary source of data collection exclusively is mad used questionnaire in gathering information from the staff of the company. This primary data collection from the research work of filed work survey carried out on first bank PLC. The instrument used for collecting primary data is mainly questionnaire on the other hand, second source data collection is available data gathering for the use of solving important and related problems in research work and source as future purpose secondary source of data collection was from senior presentation journals and literature review from banks.

3.5 RESEARCH INSTRUMENT

To research the impact of operational expansion in the banking industry, a variety of research instrument can be used, including questionnaires, interviews, cost studies and statistical analysis of financial data. These instrument allows researchers to gather both quantitative and qualitative data on the effects of expansion of factors like efficiency, profitability, risk management and customer satisfaction.

Here is a more detailed look at potential research instruments

1. QUESTIONNAIRES

PURPOSE: To gather data from a large sample of individual including bank employees, customers, and stakeholders, to access their perception and experience related to operational expansion.

CONTENT: Questions can cover a range of topics such as, the impact of expansion on customer service, the effectiveness of new technologies, the challenges faced during expansion and the overall impact on bank performance

ADMINISTRATION: Questionnaires can be administered online through mail, or in person.

2. INTERVIEWS

PURPOSE: To gain deeper insight into the experiences and perspective of individual involved in the operational expansion process.

CONTENT: Interview can explore the challenges, suppressing and lesson learned during expansion, as well as the impact on employees, customers and stakeholders.

ADMINISTRATION: Interview can be conducted individually or in focus groups.

3. CASE STUDIES

PURPOSE: To examine the operational expansion of specific banks in details analyzing the factors that led to success or failure.

CONTENT: Case study can include information on the expansion strategy, the implementation process, the challenges faced and the outcome achieved.

DATA COLLECTION: Data can be gathered from various sources, including bank records, interviews with personal and analyses of financial data.

4. STATISTICAL ANALYSIS OF FINANCIAL DATA

PURPOSE: To access the impact of operational expansion of a financial performance such as profitability, efficiency and risk management

CONTENT: Financial data can be analyzed to identify the trends and pattern related to expansion, such as change in revenue, cost and market share.

TOOLS: Statistical software can be used to analyzed the data and draw conclusion about the impact of expansion.

By combining these research instruments, researchers can give a comprehension understanding of the impact of operational expansion in the banking industry, helping banks to improve their strategies and achieve their goals.

3.6 METHODS OF DATA ANALYSIS

To study the impact of operational expansion, in the banking industry, researchers often explore a combination of data analysis and methods including description statistics inferential statistics and regression analysis. These methods help qualify the effects of expansion on key performance indicators like profitability, efficiency and market share.

1. DESCRIPTIVE STATISTICS

PURPOSE: Summarize and describe the characteristics of the data related to the expansion such as changes in revenue, expenses, customer base and breach network.

Examples: Calculating the average growth rate of key meters, identifying trends in customer acquisition costs and company performance before and after expansion.

2. INFERENTIAL STATISTICS

PURPOSE: Draw conclusion about the population based on a sample of data related to expansion.

Examples: Conducting T-test or ANOVA to compare the performance between different expansion strategies or regions, and using statistical models to determine the significance of observed changes.

Examples: Using regression models to assess the impact of new branch openings on revenue, customer acquisition, or market share while controlling for factors like population density, competition and economic conditions.

3.7 LIMITATION TO METHODOLOGY (OPTIONAL)

Operational expansion in the banking industry can positively impact financial growth and economic development. However, it can also lead to increased operation risk and potential inefficiencies.

A study methodology limitation could include a small sample size, relevance on secondary data or a lack of diverse perspectives which may affect the generalizability of the findings.

Limitation to methodology (optional)

Small Sample Size: A study may rely on a limited number of banks or financial institutions, potentially limiting the ability to draw broad conclusions.

Reliance on Secondary Data:

Using data from existing reports and studies can be useful but it might not capture the insurance of individual banks' experiences.

Lack of Diverse Perspectives

A study may focus solely on quantitative data or one specific region, potentially overlooking the diverse experiences and perspectives of different stakeholders.

Methodological Choices: The choice of statistics method, data collection techniques or analytical approaches can impact the validity and reliability of the findings.

Ethical consideration: If a study involves customer data or sensitive information, ethical consideration and privacy concerns must be addressed to ensure responsible data handling.

By understanding the potential impact and limitation of the methodology, researchers can more effectively analyze the effect of operational in the banking industry and contribute to inform decision-making in the sector.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 DATA PRESENTATION

This purely deals with the breakdown of the data collected that is under analyses of data, we are interested dissecting the obtain data from decision making purpose are.

a) HYPOTHESES

That increase in customer patronage is dependent on effective marketing in reaction to the hypothesis, the table below summaries the answer given by the respondents.

	SAMPLE	YES	NO
Director	4	2	2
Principle / Senior Manager	6	4	2
Officers / Supervisor	10	8	2
Customers	30	26	4
Total	50	40	10
Percentage	100%	80%	20%

Source: Research survey 2025

SOURCE INTERVIEW

The summary of the above table indicates that proportion of these who answer yes to hypothesis is greater than who give a negative answer to hypothesis.

Hence, the hypothesis that customer a patronages a function of effective marketing accepted.

That marketing improves awareness of the general public and the bank services.

The table below summarizes the answer provided by the respondents to the hypothesis.

	SAMPLES	YES	NO
Director	3	2	1
Principle/ Senior Manager	5	4	1
Officer/ Supervisors	31	8	3
Customers	11	27	4
Total	50	42	9
Percentage	100%	82%	18%

Source: Research Survey 2025

In this hypothesis it is discovered that the proportion of those who said "yes" is greater than who say "No" hence, marketing improve awareness of then general public bank's services.

In reaction includes advertising communication, promotion and publicity about their services of the banks services.

HYPOTHESIS III

That marketing includes advertising communication, promotion and publicity about the bank services.

In reaction to the hypothesis, the table below summarizes the answer provided by the respondents.

TABLE IV

	SAMPLES	YES	NO
Director	6	4	2
Principle / Senior manager	4	3	1
Officers/ Supervisor	14	9	5
Customer	26	21	5
Total	50	37	13
Percentage	100%	74%	16%

Source: Research Survey 2025

That marketing helps in determining the customer behavior, attitude and segmentation toward bank services.

HYPOTHESIS V

That marketing for the basis of profitability and reliability of a successful bank. The following table summarizes the answer to hypothesis

	SAMPLES	YES	NO
Director	8	5	3
Principle / Senior manager	7	5	2
Officers/ Supervisor	20	17	3
Customer	15	13	2
Total	50	40	10
Percentage	100%	84%	20%

TABLE V

Director	8	5	3
Principle / Senior Manager	7	5	2
Officers/ Supervisor	20	17	3
Customers	15	13	2
Customers	50	40	10
Percentage	100%	84%	20%

Sources: Research Survey 2025

In the above table it was discovered that the percentage of those who accepted the hypothesis is more than who disagree hence the hypothesis true.

4.2 INTERPRETATIONS OF DATA

These are result obtained so far from earlier calculation in each hypothesis, in hypothesis "one" for instance one will see that the proportion of those who agreed that increase in customer, patronage is dependent of effective market is 80% while the proportion of those that regarded the statement is 70% the implication of this is that increase in customers patronage to the bank is largely depend at on marketing as it affects, the first Bank of Nigeria plc which over years has been able to increase the number of the customer and maximize it is profit through effective marketing. In hypothesis two, where it tested whether marketing creates awareness's. it could be seen that the proportion of those who accepted that hypothesis 8% while those who rejected is 12%. This reveal that marketing improves awareness of the general public to the bank services.

In hypothesis three, where this diagnosed whether marketing include, advertising communicating, promotion and publicity of those that give positive answer it 849 while the proportion of those who reject it is 16%.

Hence, the result obtained in that large number of people support the statement and therefore marketing involves the use of advertising communication, promotion and publicity of bank services at all time.

In hypothesis four, it was observed that the percentage of those who agreed that profitability and mutability of any bank depend largely on effective marketing is

74% while those who rejected it is 44%, this implies that majority accepted the hypothesis while minority rejects it.

This implies that the hypothesis is accepted.

In hypothesis five where it is tested whether marketing from the basis of the bank profitability and reliability it is noted that the percentage of those who support the statement is 80% and those who oppose it 20%. This implies that marketing is truly

The basis of the profitability of any bank.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY

The recent competition among the banks in Nigeria really called for efficient training and development of staff as well as marketing structure and strategies.

These marketing strategies involve four stages such as identification of target marketing objectives, marketing mix and external forces. In addition what the marketing strategies used in a bank they are grouped under two broad categories that is growth strategies made up of market leader strategy.

Market challenges strategy market follower strategy and market nuclear strategy.

The application of a full range of different operation strategies will surely result in efficient marketing programmed. The banks will be able to come out with reasonable charges for the in creatures services.

5.2 CONCLUSION

Based on the data collected from the field survey and various literature reviews on the project topic, it is highly significant to draw conclusion based on the findings. The averages success and failure of any organization depends mostly on the effectiveness and of bankers and accountant.

It has been established that most bankers lack basic training the best motivated technique therefore is for the management and government to direct their resources and time towards.

Human capital Development in the Banking industry and its effect on profitability is a knowledge and personality attributes embodied in the ability to perform labour so as to produce economic value in the banking industry.

5.3 RECOMMENDATIONS

Based on the result of our findings, the following recommendations are made by the researchers;

- i. Workers in the organization irrespective of their status are better motivated by training and development activities. Remuneration packages should be attractive to further motivate the staff for optimum performance.
- ii. The researcher appreciates the management commitment to manpower training and development is a candid opinion that training activities should cost across all the sections that make up the organization selection for training should be based purely on merit and not through favoritism.
- iii. The researcher suggest that a correspondents training schedule should be introduced to complement the existing one
- iv. The importance of identifying both organizational and individual training needs for effective and result oriented training programmed cannot be over-emphasized. The organization should device a better means of identifying and training needs for her workers. These should be a constant communication between the training officials and human capital management department.

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