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**Assessing Employee Perception of Key Performance Indicators in Managing Sterling Bank Plc, Enugu**

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**ABSTRACT**

The study was on employee perception of Key Performance Indicators specific structures on quality customer service, ascertain the level of employee's skill development, and assess the level of customer retention of key performance indicators. Relevant research questions were asked and hypotheses were formulated and tested. Primacy and secondary data were used. The primary sources were personal interview and administration of questionnaire to different branches of Sterling Bank (Ogui Road, Okpara Avenue, and Agbani Road) staff, 296 staff members were sampled from a population of 1152, the sample size of 275 was chosen after applying the Taro Yamane formula for the determination of adequate sample size. The primary data were created for two hundred and seventy-five (275) respondents drawn from three different branches (Ogui Road, Okpara Avenue, and Agbani Road) of the bank. The analyses revealed that there was specific structure on quality customer service, employee skills enhanced organization skills, and customers' retention positively and significantly enhanced organizational performance. It was recommended that staff training and development should be consistent with national and international best practices, level of formalization of Key Performance Indicators (KPIs) in Sterling Bank Plc.

**Keywords:** Performance, indicator, corporate achievement, benchmarking.

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## INTRODUCTION

Banks in most economy of nations are the principal depositories of the public's financial savings, the nerve centre of the payment system, the vessel endowed with the ability of money creation and allocation of financial resources and the conduit through which monetary and credit policies are implemented. The success of monetary policies to a large extent depends on the health of the Banking institutions through which the policies are implemented. As a result of this central role of banks to the economy, their performances and activities have to be measured and kept under constant surveillance to ensure that they operate within the law in line with safe and sound banking practices so that the economy will not be jeopardized. The research study attempts to analyze the management practice of Key Performance Indicators (KPI) in Sterling Bank Plc, Enugu Zone.

Key Performance Indicators (KPIs) are important in estimating the performance of an organization as well as the individual that work in those organizations. To efficiently manage banks and financial institutions, applications and identification of relevant metrics and performance indicators for the banking industry is very crucial. Banks exist to provide consumer and business financial services. They are financial institutions that receive transfer, pay, collect, exchange, lend, safeguard, and invest money on behalf of its customers or depositors. Services provided by banks are extremely important in developing market economies, like Nigeria and other African countries. Two of their primary functions are to supply customers with mediums of exchange like checking accounts, credit card, and cash, and to accept money from depositors and lending this to borrowers. These two functions allow an economy to expand and grow. In the face of tight competition and changing customer loyalties, the use of Key Performance Indicators (KPIs), and relevant metrics will certainly help Bank Executives make good corporate decisions that will help them achieve their organizational objectives.

Key Performance Indicators are quantifiable measures that can give executive management a quick assessment of performance. A common dilemma for executive management is to identify which among the many metrics that can be easily obtained, can be used as basis for organizational performance. The metrics that will be as Key Performance Indicators should be relevant and should yield information that will be extremely useful for Executive management who are running banks. They should be specific, measurable, achievable, relevant or result-oriented and time-bound. Key Performance Indicators may be financial or non-financial and are usually based on the organizational structure and operating strategies of the bank. Liquidity ratios are often used and considered as crucial Key Performance Indicators by many financial institutions and their regulatory agencies. According to the uniform Bank Performance report, there are twelve liquidity ratios that Banks can use as Key Performance Indicators that will help banks, Executive management determine the amount or percentage of bank funds that are fully invested and income-generating. Another

indicator that will come handy for bank executive management is the amount of loan portfolio that bank has from the beginning to the end of a certain period. A table indicating these figures will illustrate activity. Moreover, to obtain profitability information, it is a good idea to monitor outstanding loan performance, new loans, ending total loans and principals reduction. Other factors that can be treated as Key Performance indicators are number of depositors per branch, number of closed accounts, and number of issued credit cards monthly. Outside from the metrics previously mentioned, rate of credit risk and default risk rate should also be given close attention. This is for the reason that credit risk is one of the major challenges that banks and lending institutions worldwide face. In fact, this is very crucial and may lead to bankruptcy, if left unattended. Efficient credit risk measurement tools should be used in order to maintain credit risk level well within an acceptable range. Despite the differences in management styles and organizational structures of banks, the metrics and performance indicators for banking industry previously mentioned should help bank executive management accurately appraise their performance.

The application of Key Performance Indicators in commercial banks has some important roles in the commercial banks. Since the balance scored card was invented in 1990s, it has received a wide range of use and promotion in the global business community, and some of the major international banks have successfully used balance score card, which makes its performance increase greatly. Nigeria domestic banks should learn from successful experience of international large banks and establish a comprehensive performance evaluation system which meets self-demanding. In recent decades, in the context of constant innovation of global financial crisis, how to manage the banking performance effectively. In response to this problem and the current problems of community bank performance management, this paper makes research about how to use the Key Performance Indicators as a tool, which is applied to commercial banks performance management system. Banking institutions exist to meet the needs and wants of a society. The performance of their institution is predicated on several factors. Many financial institutions have failed to meet the objectives or purpose of its formation. This has been the experience in all economies. It is more worrisome in the developing economies of the world where executive management lack the requisite skills in management. It is one thing to formulate individual and organizational objectives, and another thing is to achieve the set targets, sustain task level and later improve on performance.

The fact that most of the businesses (both large and small scale businesses) that we saw in our community, states, and country are no more in existence, means that something is wrong somewhere. Although there is a plethora of studies on the reasons why businesses fail [1], this paper argues that most banking institutions, may have failed because of ineffective and inefficient application of Key Performance Indicators. It is on this premise that this research on evaluation of Key Performance Indicators as a tool

for increasing efficiency and performance in Nigeria banks has become timely and expedient.

### **Statement of the Problem**

With increasing competition in the market place, unpredictable market condition, and the ever-accelerating pace of business, banks today need to be able to adopt and change course faster than ever before. Banks, more so than other businesses are required to continuously manage risk.. Already burdened by complex regulatory requirements and strict adherence to corporate governance principles, bank losses due to exposure to securitized asset portfolios is likely to result in more legislation, and an increasing focus on risk management.

Globalization and cross-border consolidation while offering measurable business benefits also result in risk. As a result, the ability to share and verify information is more critical than ever before. Changing customer loyalty and ever-increasing service demands means that banks are facing an even more challenging road going forward. Retaining customers requires investing in new services and technologies, which bank is required to balance against managing operational costs and the exposure to the risks arising from these new initiatives. The successful navigation of these risks while optimism returns requires a flexible, comprehensive business performance management process. In the rapid development of financial markets, commercial banks are facing with intense competition. The traditional performance management appears to be inadequate in how to measure all-round performance to meet the banking needs of strategies development. The evaluation of the Key Performance Indicators seems to be the major problem of managers in the banking industry. This study sets out to critically evaluate the Key Performance Indicators with particular reference to the banking sector.

### **Objectives of the study**

The specific objective of the study was to evaluate the Key Performance Indicators (KPI) in the management of Sterling Bank, Plc Enugu Zone. The specific objectives included to:

- i. Identify the effect of level of specific structures on quality customer service for managing Key Performance Indicators in Sterling Bank Plc.
- ii. Ascertain the effect of level of employee skills development on Key Performance Indicators in Sterling Bank Plc.
- iii. Assess the level of customer retention on Key Performance Indicators in Sterling Bank Plc.

### **Research Questions**

The following questions were asked and answered in the study.

- i. What is the effect of level of specific structures on quality customer service for managing KPI in Sterling Bank Plc.?
- ii. What is the level of skill skills development on Key Performance Indicators in Sterling Bank Plc.?’

- iii. What is the level of customer retention in skills development on Key Performance Indicators in Sterling Bank Plc.?

### **Research Hypotheses**

The following hypotheses were formulated to guide the study:

H<sub>1</sub>: The level of the specific structures affects the quality of customer service for managing KPI in Sterling Bank Plc.

H<sub>2</sub>: The level of employee skill development affects Key Performance Indicators in Sterling Bank Plc.

H<sub>3</sub>: The level of customer retention affects Key Performance Indicators in Sterling Bank Plc.

### **Review of Related Literature**

#### **Conceptual and Theoretical Framework of the Study**

[2], informs that a Key Performance indicator is a financial and non-financial measure used to help an organization measure progress towards a stated organization goal or objective. A Key Performance Indicator (KPI) can be effectively used as visual cut that communicates the amount of progress made toward a goal. By using graphical representation of KPIs, you can easily visualize answers to the following types of questions: 1. what are ahead or behind are we? 2. What is the minimum we have achieved to date? [3], explained that KPIs or Key Performance Indicators are metrics used to measure the progress of an organization towards the attainment of its goals. These metrics can be financial or non-financial in nature. Customer satisfaction has been a common metric used by businesses. This can also be metric used in the financial industry. If many customers are satisfied by a business, it literally means progress for the business. However, seeing and knowing your customers are satisfied with your product or service is not enough. It is also important for a business to have statistical or mathematical information with regards to customer satisfaction. The progress of an organization can be determined not just on the data inscribed financial statements. Management must also present measures that show the performance and progress of the organization. The metrics, such as Key Performance Indicators, are used more commonly to assess the performance of a company on different areas and activities.

#### **Component of Key Performance Indicator**

[4], states that Key Performance Indicators are quantifiable measurements, agreed to beforehand, that reflect the critical success factors of an organization. A business may have as one of its KPI the percentage of its income that comes from return customers. A customer service department may have as one of its Key Performance Indicators in line with overall company Key Performance Indicators, percentage of customer calls answered in the first minute. A Key Performance Indicator for a social service organization what KPIs are selected, they must reflect the organizations goals. They must be key to its success and they must be quantifiable (measurable). Key Performance

Indicators usually are long-term consideration. The definition of what they are and how they are measured do not change often. The goals for a particular Key Performance Indicators may change as the organizational goals, change or as it gets closer to achieving a goal [3].

### **Key Performance Indicator Reflects the Organizational Goals**

An organization that has as one of its goals “to be most profitable company in our industry” will have Key Performance Indicators that measure profit and related fiscal measures, “ pre-tax profit” and shareholders, equity will be among them.

However, “percentage of profit contributed to community courses” probably will not be one of its Key Performance Indicators. On the other hand, a school is not concerned with making a profit, so its Key Performance Indicators will be different. Key Performance Indicator like “Graduation Rate” and “Success in Finding Employment after Graduation” though different, accurately reflect the schools mission and goals. [3].

### **It must be Quantifiable**

If a Key Performance Indicator is going to be of any value, these must be a way to accurately define and measure it. “Generate more repeated customer” is useless as Key Performance Indicator, without some way to distinguish between new and repeated customers. “Be the most popular company” will not work as a Key Performance Indicator because there is no way to measure the company’s popularity or compare it to others. It is also important to define the Key Performance Indicator and stay with the same definition from year to year. For a Key Performance Indicator of “Increase sales” you need to address considerations like whether to measure by units sold or by naira value of the return. Will sales be recorded for the Key Performance Indicator at list price, or at the actual sale price? You must also need to get targets for each Key Performance Indicators. A company goal to be the employer of choice might include a Key Performance Indicator of “Turnover Rate”. After the Key Performance Indicator has been defined as “The number of voluntary resignations and termination for performance, divided by the total number of employees that the beginning of the period” and a way to measure it has been set up by collecting the information in an HRIS, the target has to be established. “Reduce turnover by five percent per year” is a clear target that everyone will understand and be able to take specific action to accomplish.

### **Key to Organizational Success**

[3], many things are measurable. That does not make them key to the organizations success. In selecting Key Performance Indicators, it is critical to limit them to those factors that are essential to the organizational reaching goals. It is also important to keep the number of Key Performance Indicators small just to keep everyone’s attention focused on achieving the same Key Performance Indicators. That is not to say for instance, that a company will have only three or four total Key Performance Indicators in total. Rather there will be three or four Key Performance Indicators for the company, and all the units within it will have three, four or five Key Performance Indicators that

support the overall company goals and can be “rolled up” into them. If a company Key Performance Indicator is “Increased customer satisfaction” that Key Performance Indicators will be focused differently in different departments.

#### **Key Performance Indicator in Banks**

These include: total cash deposit that bank holds in a month; average number of depositors for each branch; the ratio of active depositors to dormant depositors; the rate of borrowing risk should also be calculated. Bank Key Performance Indicator features: long term financial historical prospects and cash flow analysis; summary and detailed extraction capability in chart of accounts; detailed and summary level reporting; customized analysis templates; user-defined financial and operational ratios; multi-currency and interest rate capability. Non-financial Key Performance Indicator include environmental damage (carbon emissions); fuel economy of vehicles; percentage and total volume of paper recycled; amount of energy saved due to conservation and efficiency important; and employee engagement and leadership.

Focusing on using technology as an enabler of business growth, the bank has improved the reliability of her service platforms to improve customer experience across branch and electronic channels. The Bank is currently deploying new business services that facilitate transaction, simplification of low cost operations and channels for customer retention and acquisition.

#### **Driving High Performance in Banking**

Banks need to act now! While they should tighten up their lending criteria and risk management processes and function, they should also be addressing the high level of impaired debt and the effect of declining assets. With the high volume of data available to banks, they need to re-evaluate their use of information for strategic decision making and for supporting their financial reporting infrastructure given the current volatility in the capital markets. [5], says that banks need access to uninterrupted, concentrated and consolidated quality information to execute and integrate change in the way banking operations are measured, monitored, tracked, and managed. With information coming from well-architected systems, key decision-makers can be more confident in pursuing their banking operational initiatives.

#### **Empirical Review**

[3], in research conducted in Srilanka conclude that every organisation measures them to some degree. Often these measurements are based on historical information. While there is certainly value in historical analysis, it is a fundamental principle of Key Performance Indicators (KPIs) to be current or forward -looking metrics. It is also critical that KPIs be closely aligned to strategic company goals and implemented in such a way as to support positive change. KPIs are financial and non-financial metrics used to help an organization define and measure progress toward organizational goal s. KPIs can be delivered through business intelligence techniques to assess the present state of the business and to assist in prescribing a course of action.



KPIs are quantifiable measurements, agreed to beforehand, that reflect the critical success factors of an organization. Whatever KPIs indicators are selected, they must reflect the organization's goals, they must be key to its success, and they must be quantifiable (measurable). KPIs usually are long-term considerations. This is in line of with our literature Review [3]. The definition of what they are and how they are measured do not change often. The goals for particular KPIs may change as the organization's goals change, or as it gets closer to achieving a goal. The act of monitoring KPIs in real -time is known as Business Activity Monitoring (BAM). KPIs are frequently used to "value" difficult to measure activities such as the benefits of leadership development, engagement, service, and satisfaction. KPIs are typically tied to an organization's strategy (as exemplified through techniques such as the Balanced Score Card).

Performance Indicators (PIs) have been implemented in many countries, from the United Kingdom (UK) to Australia labeled as essential management information [6] and a management tool (CVCP/UGC, 2010), as well as claimed to bring about numerous benefits (e.g., improved accountability and planning), PIs are expected to be increasingly used by the governments of the future [7]; [8]. However, the literature on performance indicators suggests that their application may bring about dysfunctional effects. In particular, authors from countries such as the UK [9], Australia [10], United State of America (USA) [11], and the Netherlands [12] had voiced their concerns that performance indicators could set the criteria for performance.

Performance measurement and reporting is now widespread across the private sector as well as public sector of many industrialised and industrialising countries. The common tool that is used for this process, key performance indicators (KPIs), have been argued to provide 'intelligence' in the form of useful information about a public and private agency's performance [13].

So great is this faith in KPIs that many public and private agencies are now mandated by law or executive order to use them as one of the primary tools to account for their performance to main public accountability or reporting authorities, such as the Parliament and the Government auditor. It is apparent that, the way in which KPIs work to improve accountability is through the information they provide to the principal. Performance measurement systems assume that humans can use the information to make better decisions [14]. This assumption is consistent with the rational - comprehensive and bounded rationality perspectives on decision - making [2]. The former perspective describes information as directly related to organisational goals and the organisational methods by which to achieve these goals. It also views information as available, unambiguous and directly influential on decisions.



## METHODOLOGY

The study was conducted using the survey approach. The survey approach was adopted because the respondents were spread all over the departments that make up the study organization; hence, the researcher was interested in obtaining their views through the use of questionnaire and personal interviews. The area of study was Enugu Metropolis. The idea of choosing Enugu Metropolis was the growing number of staff of Sterling Bank in the area. Two sources of data were utilized in the study. They included primary and secondary sources. The primary sources were personal interview and the administration of questionnaire to bank managers or top management team and staff in-charge of Key Performance Indicators in the affected branches. Out of a population of 1152 staff, 296 staff members were sampled. The sample size of 296 was chosen after applying the Taro Yamane formula for the determination of adequate sample size. Out of staff sample 275 staff returned the questionnaire and accurately filled. That gave 93 percent response rate. The closed-ended questionnaire was utilized. The validity of the instrument was tested using content analysis and the result was good. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability co-efficient of 0.89 which was also good. The data were analyzed using Z-test statistical tool.

### Presentation of Data

**Table 1: Distribution and Return of the questionnaire**

Sterling Branch	No Distributed	%	No Returned	%	No not Returned	%
Okpara Ave.	131	44	122	41	19	3
Ogui Road	110	37	103	35	7	2
Agbani	55	19	50	17	5	2
<b>Total</b>	<b>296</b>	<b>100</b>	<b>275</b>	<b>93</b>	<b>22</b>	<b>7</b>

**Source: Field Survey 2016.**

Table 1 shows that 93 percent of the distributed copies of the questionnaire were returned and used, whereas 7 percent were not returned and was not used.

**Table 2: Response on the specific structures on quality customer service for managing KPI in Sterling Bank**

Rating	Okpara Ave Branch.	Ogui Road	Agbani Branch.	Overall Freq.	%
S. Agree	64	64	32	160	58
Agree	43	26	12	81	29
Undecided	5	1	3	9	3
Disagree	7	8	3	18	7
S. Disagree	3	4	-	7	3
<b>Total</b>	<b>122</b>	<b>103</b>	<b>50</b>	<b>275</b>	<b>100</b>

**Source: Field Survey, 2016.**

Table 2 above indicated that 58 percent of the respondents strongly agree, that there is specific structure on quality customer service managing KPI 29 percent of the respondents agree, 3 percent the respondents were indifferent, 7 percent of the

respondents disagree while 3 percent strongly disagree that there is specific structure on quality customer service for management KPI. The implication is that there is a specific structure for managing Key Performance Indicator.

**Table 3:** Response on the level of employee skills and key performance indicator

Rating	Okpara Ave Branch.	Ogui Road	Agbani Branch.	Overall Freq.	%
Strongly Agree	34	11	16	61	22
Agree	10	17	11	38	13
Undecided	30	5	3	38	15
Strongly Disagree	43	59	14	116	41
Total	122	104	56	275	100

Source: Field Survey, 2016.

Table 3 reveals that 22 percent of the respondents indicated strongly agree, 13 percent of the respondents indicated agree, 15 percent of the respondents were undecided, 41 percent disagree while 11 percent of the respondents strongly agree that employee skills is significant in Key Performance Indicator.

**Table 4:** Response on the level of customer retention on organizational performance

Rating	Okpara Ave Branch.	Ogui Road	Agbani Branch.	Overall Freq.	%
Strongly Agree	40	16	27	83	30
Agree	20	19	11	50	18
Undecided	5	6	-	11	4
Disagree	51	41	9	101	37
Strongly Disagree	6	21	3	30	11
Total	122	73	50	275	100

Source: Field Survey, 2016.

Table 4, it shows that out of 275 respondents, 30 percent respondents, 83 respondents strong agree, 18 percent representing 50 respondents, Agree, 5 percent representing 11 respondents were indifferent, 37 percent representing 101 respondents disagree, while 11 percent representing 30 respondents strongly disagree on the level of customer retention on organizational performance.

### Test of hypotheses

The study has three (3) hypotheses which were tested with the Microsoft assisted package SPSS. As earlier stated, Z-test was the statistical tool used to test the hypotheses. The computed hypotheses were presented as follows:

#### Hypothesis one

H<sub>1</sub>: The level of the specific structures affects the quality of customer service for managing KPI in Sterling Bank Plc.

### The test

The study was to test, and ascertain whether there is specific structure on quality customer service for managing KPI in Sterling Bank. Based on this, Z-test was employed to measure the nature of relationship between the variables. Using the statistical package for social science (SPSS) the result below emerged.

**Table 7: Descriptive statistics on specific structure on quality customer service for KPI management**

Specific	Mean	Std. Deviation	n	Minimum	Maximum
Structure for managing KPI	1.87618	1.25762	275	1.000	5.000
Workers performance	1.87618	1.25762	275		

### Correlations that Specific Structure Enhances Quality Customer Service

		Specific Structure Enhances Quality Customer Service
N		275
Normal parameters a.b	Mean	1.87618
	Std. Deviation	1.25256
Most extreme	Absolute	.272
Most extreme	Positive	.272
Differences	Negative	-.228
Komogorov-Smirnov Z		.3081
Asymp. Sig (2-tailed)		.000

a. Test distribution is normal

b. Calculated from data

### Decision Rule

If the calculated Z-value is greater than critical Z-value (i.e  $Z_{cal} > Z_{critical}$ ), reject the null hypothesis and accept the alternative hypothesis accordingly.

### Decision

With a Kolmogorov-Smirnov of 3.801 and on Asymp. Sig. of 0.000, the responses from the respondents as displayed in the table is normally distributed. This affirms the assertion of the most of the respondents that the specific structure on quality customer service for managing KPI which enhances organization Key Performance.

### Hypothesis Two

H<sub>2</sub>: The level of employee skill development affects Key Performance Indicators in Sterling Bank Plc.

### The Test:

The study was to determine whether or not level of employee skills enhance organization Key Performance. Z- test was used here. Using the statistical package for social science (SPSS). The result below emerged.

**Table 8: Descriptive statistics on effect of employee skills on organizational Performance.**

	N	Mean	Std. Deviation	Minimum	Maximum
The employee skills enhances organizational Performance	275	1.9818	1.26276	1.00	5.00

### Correlations that employee skills enhances organization performance

		The employee skills enhance organizational Performance
N		275
Normal parameters a.b	Mean	1.9818
	Std. Deviation	1.26276
Most extreme	Absolute	.280
Most extreme	Positive	.280
Differences	Negative	-.218
Komogorov-Smirnov Z		4.638
Asymp. Sig (2-tailed)		.000

c. Test distribution is normal

d. Calculated from data

### Decision Rule

If the calculated Z-value is greater than critical Z-value (i.e  $Z_{cal} > Z_{critical}$ ), reject the null hypothesis and accept the alternative hypothesis accordingly.

### Decision

With a Kolmogorov-Smirnov Z-value of 4.638 and on Asymp Sig of 0.000, the responses from the respondents as displayed in the table is normally distributed. This affirms the assertion of the most of the respondents that the employee skill enhances organization Key Performance Indicators.

Furthermore, comparing the calculated Z-value of 4.638 against the critical Z-value of 1.96 (2-tailed test at 95% level of confidence) the null hypothesis was rejected. Thus the alternative hypothesis was accepted which states that the employee skills enhances organization key performance indicator.

### Hypothesis Three

H<sub>3</sub>: The level of customer retention affects Key Performance Indicators in Sterling Bank Plc.

### The Test:

The study was to determine whether or not the level of customer retention positively influences organizational performance. Using statistical package for social science (SPSS), the result below emerged.

**Table 9: Descriptive statistics on effect of customer retention on organizational Key Performance Indicators**

The level of customer retention	n	Mean	Std. Deviation	Minimum	Maximum
Positively and significantly influence organizational performance	275	2.3818	1.29979	1.00	5.00

### Correlations that level of customer retention positively influences performance

	Organizational	The level of customer retention Positively influences performance
N		275
Normal parameters <sup>a,b</sup>	Mean	2.3818
	Std. Deviation	1.29979
Most extreme	Absolute	.314
Most extreme	Positive	.314
Differences	Negative	-.159
Komogorov-Smirnov Z		5.202
Asymp. Sig (2-tailed)		.000

e. Test distribution is normal

f. Calculated from data

### Decision Rule

If the calculated Z-value is greater than critical Z-value (i.e  $Z_{cal} > Z_{critical}$ ), reject the null hypothesis and accept the alternative hypothesis accordingly.

### Decision

From table 4.26 the computed Z-value of 4.202 is greater than critical Z-value of 1.96 and significance of 0.000. The null hypothesis should be rejected and alternate accepted. This is an indication that the level of customer retention positively and significantly influences organizational performance.

### DISCUSSION OF FINDINGS

It was found that the specific structures for managing Key Performance Indicator is significantly high- in Sterling Banks, together with the employee skills development and the level of customer retention, they defined standard of performance for each of the critical Key Performance indicators in Sterling Bank Plc.

It was observed that the quality of customer service is on high side of 100 percent, together with ethical business practice and organizational compliance. The net profit level of the organization was discovered to be above average that is 70 percent,

operational cost of 30 percent which shows that the Sterling Bank was very conscious to reduce expenses and maximize profit. Employee moral showed 100 percent which shows the good excellent service behaviour. The percentage of dividend (ROI) 20 percent and maintenance cost 20 percent was also commendable. The Branch growth rate was discovered to be 40 percent which requires more effort to score above average next. Health safely and environment 100 percent, this increases employee moral and behaviour to work harder. Equally to note was social solidarity among employee at 100 percent, feel consumption and labour turnover 30 percent each shows minimizing cost and increase the profit of the organization.

### CONCLUSION

Sterling bank has a list of applications of critical Key Performance Indicators (KPIs) and defined standards of performance for each of the critical KPI. The bank has a level of applications of KPIS. It exposes all the different levels of application of KPI staff knowledge of organizational policies for consulting or referring for operational task and measurement with relevant acceptable industry standards. The bank has specific structure in groups, units, teams, and departments responsible for the management of Key Performance Indicator. The organization has specific training development programme for developing KPI skills in Sterling Bank Plc. However, not every employee of Sterling Bank has KPI training. The level of customer retention of KPI is significantly high in Sterling Bank Plc.

### RECOMMENDATIONS

Based on the findings of the research, the following recommendations were made:

1. The banks should publish the list of all the critical KPI for each operational task so that all employees will be familiar with them and also do self appraisal in-terms of performance measurement coaching and monitoring of subordinate by business managers, measurement of KPI should be encouraged in Sterling Bank. The bank needs to establish KPI implementation teams in every department of the bank. This is to enable staff appreciate better the importance of be marking. This will enhance productivity, commitment, focus, and employee loyalty and employee dedication to duty. This will stabilize the workforce and reduce the number of labour turnover in a long run.
2. The Bank should enforce a task force that will be responsible for the measurement of all operations using KPI in Sterling Bank Plc. This will sure improve the bank's profitability and all other earnings. Policies on KPIs referral should be clear and known to all staff.
3. Bank should try and train their staff to equip them for quality consumer service and to enhance the employee skills development.

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