

Learning Orientation Multi-Dimensional Components: Effect on Competitive Advantage

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Abstract

The pursuit of competitive advantage has spurred heightened interest within the financial sector, particularly in the banking industry, where learning orientation have emerged as pivotal drivers of business success. Nevertheless, attaining a competitive advantage remains a formidable challenge for banks and a recurring concern for stakeholders. Hence, this study examined the effect of learning orientation on competitive advantage. Survey research design was adopted for this study. The population comprised 4,871 employees of five selected Deposit Money Banks in Lagos State, Nigeria. The sample size of 462 was determined using the Cochran formula while simple random sampling technique was adopted. An adapted and validated questionnaire was used for data collection. Findings from Structural Equation Modeling (SEM) revealed that learning orientation dimensions have significant effect on competitive advantage ($Adj R^2 = 0.333$; $F^2 = 0.067$; $SRMR = 0.064$, $NFI = 0.719$, $p < 0.05$) of the selected deposit banks in Lagos State, Nigeria. Banks should priorities strategies aimed at improving learning orientation to sustain their competitive advantage.

Keywords:

Commitment to
learning, Innovation,
Learning orientation,
Open-Mindedness,
Service quality,
Shared Vision

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Background to the Study

In today's highly competitive financial business environment, financial institutions are relentlessly striving to attain a sustainable competitive advantage that sets them apart from their rivals (Chew & Idris, 2022). This quest for competitive supremacy has prompted a heightened focus on areas such as innovation, service quality, delivery dependability, customer loyalty, and responsiveness, as evidenced by extensive research (Chew & Idris, 2022; Shen et al., 2021; Wahyono & Hutahayan, 2020). Consequently, learning orientation have emerged as pivotal drivers of business success, attracting considerable attention in the literature (Chowdhury et al., 2019; Erum et al., 2020; Slobodianyuk et al., 2024). Despite concerted efforts across various industries, achieving a competitive edge capable of surpassing rivals remains a persistent challenge, particularly within the banking sector (Adil et al., 2020). The unsatisfactory level of competitive advantage exhibited by firms in this sector is a cause for significant concern (Ashiru et al., 2023), prompting stakeholders, practitioners, academics, and researchers to explore predictors such as shared values, commitment to learning, open-mindedness, persistence, competence, and perceived control.

In the United States of America (USA), banks confront a formidable challenge concerning innovation and customer loyalty, significantly lagging behind other industries. Reports suggest that many U.S. banks struggle to keep pace with technological advancements, resulting in outdated digital banking systems unable to meet evolving client expectations (Rashid et al., 2020). Moreover, dwindling customer loyalty poses a grave concern, with a minority of American bank clients displaying strong loyalty, indicative of a declining trend (KPMG, 2019). The rise of fintech firms offering innovative and user-friendly financial solutions has intensified competition for traditional banks to retain clientele. Similarly, Canadian banks grapple with challenges related to responsiveness and service quality, hindering effective competition (Chew & Idris, 2022). Increasing consumer complaints in the Canadian banking sector underscore issues such as subpar service quality and prolonged response times (Ordóñez-Ponce et al., 2022).

In Europe, despite the significant contributions of the banking industry to economic development, performance reports continue to dwindle (Durkalić et al., 2023). Declining customer trust and loyalty have undermined the competitive advantage of European banks, exacerbated by increased competition from fintech companies leveraging technology to offer faster and more efficient services (Deloitte, 2019). Dutch banks face competitive challenges amid a dynamic domestic and international landscape, with margin pressure and a concentration of domestic players influencing their performance (S&P Global, 2020). The situation in Asia mirrors these challenges, with Japanese banks struggling to adopt new technologies and lacking customer responsiveness (Iwashita, 2022). Similarly, Omani banks face innovation hurdles, marked by a decline in new product releases and a lack of investment in innovative solutions (GlobalData's analysis, 2019).

The African banking sector, including Egypt, grapples with erosion of competitive advantage attributed to slow adoption of modern financial services and digital technologies, compounded by service interruptions and operational disruptions (Fahmy & Ghoneim, 2023; Sayad & Diab, 2022). In South Africa, the banking industry faces a critical challenge with diminishing innovation capabilities, evident in the low adoption rates of advanced digital banking services (Deloitte analysis, 2019; Slazus & Bick, 2022). Similarly, Kenya's banking sector has encountered significant problems recently, indicative of a loss in competitive advantage, particularly concerning the slow uptake of contemporary digital banking technologies (Central Bank of Kenya, 2020; Parlasca et al., 2022).

Ghanaian banks also exhibit sluggishness in embracing new technologies, with a mere 15% offering fully digital account opening procedures, underscoring innovation as a major concern (PwC assessment, 2020). Furthermore, the importance of service quality and customer responsiveness in maintaining a competitive edge is highlighted (Asiedu et al., 2020). Nigeria's banking industry mirrors these challenges, facing obstacles in innovation adoption and a decline in competitive advantage, as indicated by delayed adoption of cutting-edge digital banking technology and a notable decrease in service quality (Adebiyi et al., 2021; Ogboye et al., 2022; Iheanacho et al., 2020; Isa-Olatinwo et al., 2022). Customer dissatisfaction with banks' responsiveness further compounds the industry's competitive struggles (Abdulmalik et al., 2022). These challenges underscore the imperative for banks globally to innovate, enhance service quality, and bolster customer responsiveness to maintain a competitive edge in an increasingly demanding financial market environment.

The erosion of banks' competitive advantage has remained a concern across multiple countries, and data indicates that this may be attributed to a lack of practical learning orientation (PwC, 2020). The challenge has been attributed to different factors including learning orientation. PwC research (2019) emphasizes the need for banks to invest in cultivating a learning culture to enhance their competitiveness. However, a Deloitte survey (2021) revealed that only 35% of banks have successfully established a strong learning culture. Neglecting learning orientation could have adverse effects on customer satisfaction and staff retention, as highlighted by Choi et al. (2021). Temtime et al. (2022) further emphasize that the effective implementation of learning orientation in banks could enhance sustaining competitiveness and profitability.

The declining competitive advantage of banks has raised concerns within the banking sector as this decline could be attributed to a lack of determination, competence, and perceived control in banks (Global Banking Annual Review, 2022). Huang et al. (2021) and Akhtar et al. (2019) identified a lack of tenacity and perceived control as a critical reason that could have led to the deterioration of banks' competitive advantage in China and Pakistan respectively. Taufiq et al. (2022) reported similar findings in Malaysia, with the loss of perseverance and perceived control as essential contributors to the reduction in banks' performance. These issues are not limited to a few countries, as evidenced by a

recent International Monetary Fund (IMF) study highlighting the global decline in bank profitability since 2019 (IMF, 2021). In Nigeria, this lack of competitive advantage has been reflected in the declining outcomes in several banking institutions.

Several scholars (Chew & Idris, 2022; Chowdhury et al., 2019; Erum et al., 2020; Shen et al., 2021; Wahyono & Hutahayan, 2020), have conducted research on the relationship among learning orientation and competitive advantage in various contexts, applying different methodologies. However, there are notable disparities in terms of study locations and variables examined. For instance, Chew and Idris (2022) solely focused on learning orientation in their study of Malaysian exporters. Additionally, Wahyono and Hutahayan (2020) examined knowledge competence and innovation through the lens of learning and market orientation in Java and Bali. Consequently, this study bridged the gap in context and variables of learning orientation and competitive advantage, thus, investigated the influence of learning orientation on competitive advantage selected Deposit Money Banks in Lagos State, Nigeria.

Review of Literature

Competitive Advantage

Competitive advantage is defined as a firm's distinct advantage over its competitors (Distanont & Khongmalai, 2018). Mahdi and Hammad (2021) further defines competitive advantage as a unique attribute or advantage that allows an organisation to outperform competitors and achieve superior market position. The concept of competitive advantage has been extensively explored in the field of strategic management, yielding multiple definitions (Egwakhe et al., 2022; Hitt et al., 2020; Jackson & Heath, 2022; Umar & Sambo, 2021; Umukoro et al., 2023). Egwakhe et al. (2020) stressed that competitive advantage seems to be elusive and as such, it varies in characterization, terminology, applicability, and usability based on industry-specific concepts. This advantage can manifest in various forms, including unique products or services, exclusive resource access, or a superior business model (Adebayo & Adegbite, 2020; Hitt et al., 2020). For the purpose of this study, competitive advantage is measured by innovation, service quality and responsiveness to customers.

According to Cillo et al (2019), innovation is the introduction of new products, processes, or technologies to enhance existing counterparts. Innovation is a versatile term that takes on different meanings depending on the context in which it is applied. Chen et al. (2022) defines innovation as the process of introducing ideas, methods, products or services that are new resulting in positive changes and added value for the organisation in terms of profit and quality for the customer. In a business and industry setting, this form of innovation is often used to usher in novel products, processes, or technologies with the intent of boosting efficiency, reducing costs, or improving the quality of goods and services (Li & Wang 2022). Alshamsi et al. (2021), posits that service quality is the extent to which a service either meets or surpasses customer expectations. Service quality is a multifaceted concept thus, various researchers have offered distinct definitions. These definitions underscore the crucial role of customer perceptions in shaping service quality

and highlights the importance of service providers comprehending and meeting customer needs and expectations. Another perspective defines service quality as the entirety of a customer's experience with a service, encompassing both tangible and intangible elements (Pakurár et al., 2019). Service quality, as a holistic concept, comprises various characteristics, including reliability, responsiveness, assurance, empathy, and tangibles (Prentice et al., 2019; Shurair & Pokharel, 2019).

Responsiveness to customer is the quick and efficient responses to customer inquiries, encompassing timely and accurate information, addressing concerns, and expeditiously processing orders (Sheng, 2019). It is a crucial aspect of customer service, widely recognized as a pivotal driver of customer satisfaction and loyalty (Bouguerra et al., 2021). However, the definition of responsiveness varies across extant literature. This form of responsiveness aligns with operational efficiency and significantly contributes to maintaining customer satisfaction and loyalty. Another facet of responsiveness involves proactively anticipating and meeting customer needs, which may include providing personalized services, offering proactive solutions, or tailoring products and services to individual preferences (Hamming et al., 2019). This type of responsiveness hinges on a deep understanding of customer needs and plays a pivotal role in cultivating long-term customer relationships.

Learning Orientation

Learning orientation is a term that refers to an individual's approach to learning and acquiring new knowledge and skills. It is a concept that has been widely studied in organisational behaviour, and various definitions have been proposed to capture its essence (van der Baan et al., 2022). One definition of learning orientation is that an individual seeks out and engages in learning opportunities (Gerschewski et al., 2018). This definition emphasizes the proactive nature of learning orientation, where individuals are motivated to seek new information and skills to improve their competitive advantage. Another definition of learning orientation is an individual's cognitive and affective engagement in learning (Iyer et al., 2019). This definition highlights the importance of seeking learning opportunities, actively participating, and being open to new ideas and perspectives. For the purpose of this study, learning orientation is measured by shared vision, commitment to learning, and open-mindedness.

A widely accepted definition of shared values is that they are the beliefs, norms, and expectations that are shared by members of a group (Fernández-Gámez et al., 2019). Shared values are an essential aspect of any group or community as they serve as a foundation for how members interact, work together, and help define the group's identity and purpose. However, despite the importance of shared values, no single definition is universally accepted. According to this definition, shared values guide group members' behaviour and shape their interactions with one another. For example, a group that values teamwork may have a norm of working together to achieve common goals. In contrast, a group that values independence may have a norm of encouraging

individual initiative. Alshamsi et al. (2021), asserts that commitment to learning is the willingness to invest time and effort into the learning process. This definition emphasizes the importance of effort and dedication as critical components of commitment to learning. Commitment to learning is a term that has been widely discussed in the field of education and organizational behaviour.

The concept of commitment to learning is often used to describe an individual's dedication and motivation towards learning. Many researchers have attempted to define commitment to learning, and various definitions have been proposed. Another definition of commitment to learning is the desire to acquire new knowledge and skills (Martinez et al., 2020). This definition focuses on the individual's motivation to learn and the importance of their desire to acquire new knowledge and skills. Open-mindedness as defined by Baker et al (2022), is the ability to consider and evaluate different perspectives and viewpoints without bias or preconceptions. Similarly, Alerasoul et al (2022), defined open-mindedness as the willingness to change one's beliefs and attitudes, considering new information or evidence. These definitions emphasize the importance of being open to new ideas and willing to change one's beliefs and attitudes, considering new information. These definitions of open-mindedness are frequently associated with critical thinking, which entails analysing and evaluating various ideas and arguments logically and objectively.

Learning Orientation and Competitive Advantage

Studies by Wu et al. (2019) and Zeng et al. (2020) underscore the pivotal role of learning orientation and self-efficacy in bolstering a bank's competitive advantage, advocating for investments in employee development to enhance competitiveness. Subsequent research by Sawaeen and Ali (2021), Rostini et al. (2021), and Wahyono and Hutahayan (2021) further affirm the positive impact of learning orientation on organisational competitive advantage, highlighting its influence on entrepreneurial commitment, knowledge competence, innovation, and overall firm success. Complementary findings by Baker et al. (2022) and Correia et al. (2023) accentuate the significance of learning orientation, reward systems, and entrepreneurial orientation in cultivating competitive advantages and fostering business prosperity.

Conversely, studies by Wang et al. (2021), Annosi et al. (2020), and Templer et al. (2020) unveil the complexities surrounding the direct relationship between learning orientation and competitive advantage. While these studies explore various dimensions such as negative emotion coping orientation, positive grieving, role clarity, and the moderating effects of contextual factors, they fail to conclusively establish a direct link between learning orientation and competitive advantage. Additionally, Hernández-Linares and Fernández (2020) reveal potential variations in this relationship across different organisational types, suggesting that the impact of learning orientation on competitive advantage may vary between family and non-family firms, further underscoring the need for contextual understanding in assessing this relationship.

Research Conceptual Model

The study was conceptualized as shown in the model below:

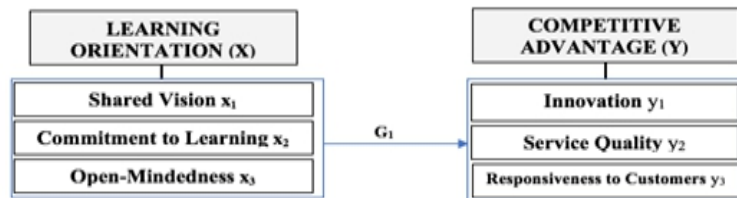


Fig 1: Research Model (2024)

Figure 1 above shows the research model which indicates the interaction between the independent variable of learning orientation dimensions (shared vision, commitment to learning, and open-mindedness) and the dependent variable of competitive advantage dimensions (innovation; service quality; and responsiveness to customers).

Theoretical Review

This study is anchored on the Knowledge-Based View (KBV) and Organisational Learning Theory (OLT) as the baseline theories for this study. The knowledge-based view theory was proposed by Grant in 1991, while the Organisational Learning Theory (OLT) originated from the work of Chris Argyris and Donald Schön in 1978. The Knowledge-Based View (KBV) and Organisational Learning Theory serve as foundational frameworks in understanding how learning orientation influences the competitive advantage of selected Deposit Money Banks (DMBs). One key assumption of the KBV is that knowledge assets are fundamental drivers of competitive advantage, positing that firms can achieve sustainable competitive advantage through the accumulation, creation, and application of knowledge resources (Grant, 1996). Similarly, Organisational Learning Theory asserts that organisations that effectively acquire, share, and utilize knowledge are better equipped to adapt to dynamic environments and gain a competitive edge (Argyris & Schön, 1978). Therefore, a fundamental assumption of both theories is that learning orientation, encompassing a firm's commitment to continuous learning, knowledge creation, and knowledge application, is positively associated with competitive advantage in the banking sector.

Support for the KBV and Organisational Learning Theory in the context of DMBs can be found in empirical studies that demonstrate the positive relationship between learning orientation and competitive advantage. For instance, research by Wu et al. (2019) and Zeng et al. (2020) highlights the significance of learning orientation in enhancing a bank's competitive positioning by fostering innovation, service quality improvement, and customer responsiveness. Moreover, studies such as those by Sawaeen and Ali (2021) and Rostini et al. (2021) provide evidence of how learning orientation influences organisational capabilities, knowledge creation, and entrepreneurial commitment, ultimately contributing to competitive advantage in the banking industry. Such

empirical findings bolster the theoretical underpinnings of the KBV and Organisational Learning Theory, affirming their relevance in explaining the relationship between learning orientation and competitive advantage in DMBs.

Despite the theoretical and empirical support for the KBV and Organisational Learning Theory, critics argue that these frameworks may oversimplify the complexities of knowledge management and organisational learning processes within DMBs. Critics contend that the KBV's focus on knowledge as a static resource may overlook the dynamic and socially embedded nature of knowledge creation and application in banking organisations (Nonaka & Takeuchi, 1995). Similarly, detractors of Organisational Learning Theory argue that it may overlook individual and group-level factors that influence learning processes within organisations, such as leadership styles, organisational culture, and incentive structures (Easterby-Smith & Lyles, 2011). Therefore, while the KBV and Organisational Learning Theory offer valuable insights into the role of learning orientation in fostering competitive advantage in DMBs, critics caution against overly deterministic interpretations and highlight the need for a more nuanced understanding of knowledge dynamics and learning mechanisms in banking organisations.

Methodology

Survey research design was adopted for this study. The population comprised 4,871 employees of five selected Deposit Money Banks in Lagos State, Nigeria. The sample size of 462 was determined using the Cochran formula. Simple random sampling technique was adopted in selecting respondents. An adapted and validated questionnaire was used for data collection with Cronbach's alpha reliability coefficients for the constructs ranging from 0.75 to 0.93. Response rate was 89.4%. Data were analyzed using descriptive and inferential (SEM) statistics at 5% significance level. The principal factors investigated were measured on a six-point scale with anchors ranging from Very High (VH) to Very Low (VL), for the independent variables and dependent variable respectively. Multiple regression equation was adopted to run the study variables. Thus, the models can be represented as follows:

Model Specification

For this study, the independent variable is learning orientation (X) measured by sub-variables of shared vision, commitment to learning, and open-mindedness, while the dependent variable (Y) is competitive advantage measured by sub-variables of innovation; service quality; and responsiveness to customers.

Functional Relationship

The functional model for the study variables are denoted in the equations below:

$$Y = f(X)$$

Y = Dependent Variable

X = Independent Variable

Y = Competitive Advantage (CA)
X = Learning Orientation (LO)

$Y = (y_1, y_2, y_3)$

Where;

Y = Competitive Advantage (CA)
 y_1 = Innovation (IN)
 y_2 = Service Quality (SQ)
 y_3 = Responsiveness to Customers (RC)

$X = (x_1, x_2, x_3)$

Where:

X = Learning Orientation (LO)
 x_1 = Shared Vision (SV)
 x_2 = Commitment to Learning (CL)
 x_3 = Open-Mindedness (OM)

Regression Model

The model formulated for each of the hypotheses is written as:

$Y = f(X)$

$CA = \beta_0 + \beta_1 LO(SV * CL * OM) + \epsilon_i$ ----- Eqn 1

Where:

β_0 = constant of the equation or constant term
 ϵ_i = error or stochastic terms

Data Analysis, Results presentation, and Discussions

The section presents the findings of the statistical analyses conducted using SmartPLS in the study to examine the effect of the independent variables on the dependent variables and test the formulated hypotheses. It summarizes the key results and their implications, providing evidence to support or refute the research questions. In PLS-SEM (Partial Least Squares Structural Equation Modeling), after estimating the model, hypothesis testing was conducted to assess the significance of effect of the latent variables and observed indicators.

Restatement of Research Objective and Research Question

Research Question: How do learning orientation dimensions affect competitive advantage.

To achieve this objective, the respondents were asked to respond to various statements raised on various components of learning orientation dimensions (shared vision, commitment to learning, and open-mindedness) and competitive advantage (innovation, service quality and responsiveness to customers).

H0: Learning orientation dimensions does not significantly affect competitive advantage.

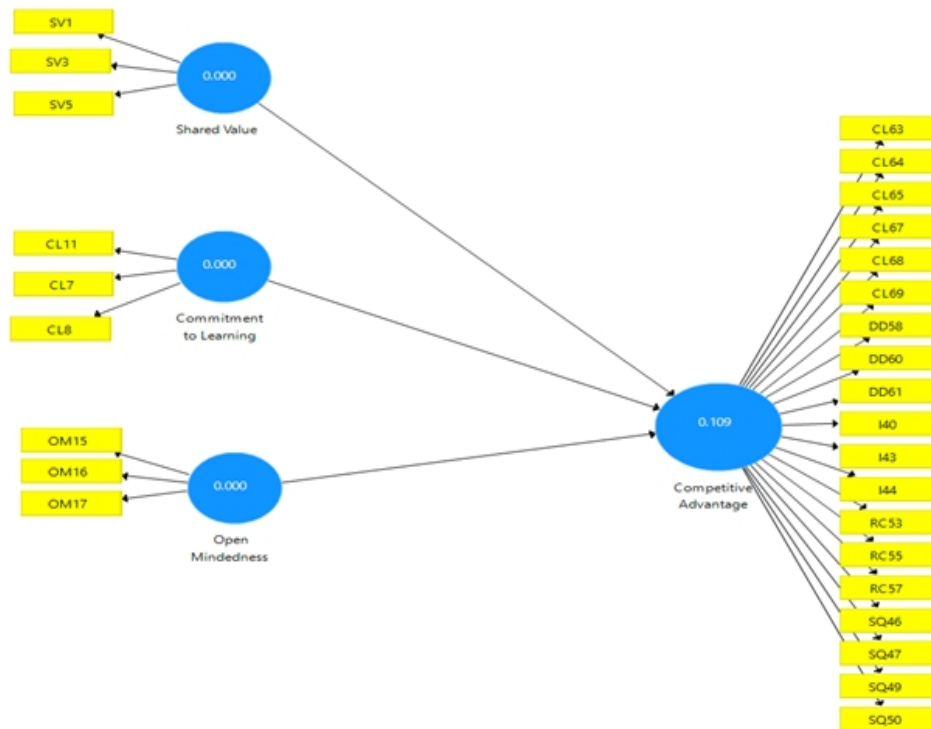
To test the hypothesis, structural equation modelling (PLS-SEM) was deployed with learning orientation dimensions (shared vision, commitment to learning, and open-mindedness) as independent variable and competitive advantage (innovation, service quality and responsiveness to customers) as the dependent variable. First assumption tested before conducting structural equation modelling for H0 is multicollinearity test. The result of the multicollinearity shows that all the sub variables had Variance Inflation Factor less than 5.0, therefore confirm no issues with multicollinearity. The structural path co-efficient (β -value), T-statistic value, effect size (f^2), R-Square (the coefficient of determination), Q^2 value, and the degree of the goodness-of-fit model helped to determine the level of influence and relationship between the independent and dependent variables of learning orientation dimensions and competitive advantage respectively. The results are presented in tables 1a, 1b, figures 1a, and 1b.

Figure 1a: Path Analysis Showing the Measurement and Structural Model for Hypothesis



Source: Researcher's Result via SmartPLS Version 3.5.2 (2024)

Figure 1b: T- Statistics for Hypothesis



Source: Researcher's Result via SmartPLS Version 3.5.2 (2024)

Table 1a: Summary of the PLS-SEM for Learning orientation has no significant effect on competitive advantage in deposit money banks in Nigeria.

Path Description	Original Sample (o) Unstandardized Beta (β)	T	Sig.	F ²	R	R ²	Adj. R ²	Q ²
Commitment to Learning -> Competitive Advantage	0.225	3.87	0.001	0.052				
Open-Mindedness -> Competitive Advantage	0.367	8.19	0.001	0.139				
Shared Value -> Competitive Advantage	0.106	2.552	0.011	0.013	0.581	0.338	0.333	0.109

Source: Researcher's Result via SmartPLS Version 3.5.2 (2024)

Table 1a presents a summary of the Partial Least Squares Structural Equation Modelling (PLS-SEM) analysis regarding the effect of learning orientation dimensions on competitive advantage in deposit money banks in Nigeria. The table includes various statistical measures such as unstandardized beta coefficients (β), t-values, significance

levels (Sig.), effect sizes (F^2), correlation coefficients (R), coefficients of determination (R^2), adjusted R^2 values, and Stone-Gleisser Q^2 values. Commitment to Learning -> Competitive Advantage: The unstandardized beta coefficient is 0.225 with a corresponding t-value of 3.87 and a significance level of 0.001. This indicates a positive relationship between commitment to learning and competitive advantage, which is statistically significant. Open Mindedness -> Competitive Advantage: The unstandardized beta coefficient is 0.367 with a corresponding t-value of 8.19 and a significance level of 0.001. This indicates a positive relationship between open-mindedness and competitive advantage, which is statistically significant. Shared Value -> Competitive Advantage: The unstandardized beta coefficient is 0.106 with a corresponding t-value of 2.552 and a significance level of 0.011. This indicates a positive relationship between shared value and competitive advantage, which is statistically significant.

The correlation coefficient (R) values indicate the strength and direction of the relationship between the learning orientation dimensions and competitive advantage. The coefficients of determination (R^2) and adjusted R^2 values provide information about the proportion of variance in competitive advantage explained by the learning orientation dimensions. Additionally, the Stone-Gleisser Q^2 values assess the predictive relevance of the endogenous construct (competitive advantage). In this case, the Q^2 value of 0.109 indicates a small predictive relevance, suggesting that the specified structural model is relevant and has some predictive quality about competitive advantage in deposit money banks in Nigeria. Overall, the results suggest that all three dimensions of learning orientation (commitment to learning, open-mindedness, and shared value) have positive and statistically significant effects on competitive advantage in deposit money banks in Nigeria.

Table 1b: Model Fit for Hypothesis

	Saturated Model	Estimated Model
SRMR	0.064	0.064
d_ULS	1.678	1.678
d_G	0.456	0.456
Chi-Square	1076.935	1076.935
NFI	0.719	0.719

Source: Researcher's Result via SmartPLS Version 3.5.2 (2024)

The fit results presented in Table 1b provide insights into the model fit for Hypothesis Six, which explores the effect of learning orientation on the competitive advantage in deposit money banks in Nigeria. Both the saturated and estimated models are evaluated to determine the adequacy of the study model. The Standardised Root Mean Square Residual (SRMR) for both models indicate a value of 0.064, which falls below the conventional threshold of 0.08. This suggests a good fit and minimal model misspecification, indicating that the study model adequately represents the data.

Examining the squared Euclidean distance (d_{ULS}) for both models, we find a value of 1.678, which exceeds the widely accepted threshold of >0.5 . While this may indicate some discrepancies between the observed and model-implied correlation matrices, it is important to note that other fit indices also need to be considered for a comprehensive assessment of model fit. Similarly, the Normed Fit Index (NFI) for both models stand at 0.719, indicating a relatively close match between the models and the data. Although this value falls slightly below the recommended threshold of 0.9, it is still considered acceptable and suggests a reasonable fit for the model.

Furthermore, the Chi-Square values for both the saturated and estimated models remain consistent at 1076.935. While Chi-Square alone may not provide a comprehensive assessment of model fit, its consistency across both models suggests stability in the findings. In summary, the fit indices suggest that the model examining the relationship between learning orientation and competitive advantage in deposit money banks in Nigeria demonstrates a satisfactory fit for the data. However, the results indicate that learning orientation may not significantly influence competitive advantage within this context. Further analysis and interpretation of the findings, along with additional research, may provide deeper insights into the dynamics of learning orientation and its impact on competitive advantage in the banking sector.

The multiple regression model generated from the data in Table 1.1a is thus expressed as:

$$CA_i = \alpha_0 + 0.255CL_i + 0.367OM_i + 0.106SV_i + U_i \text{-----Eqn vi (Predictive Model)}$$

$$CA_i = \alpha_0 + 0.255CL_i + 0.367OM_i + 0.106SV_i + U_i \text{-----Eqn vi (Prescriptive Model)}$$

Where:

- CA = Competitive advantage
- CL = Commitment to Learning
- OM = Open Mindedness
- SV = Shared Values

The variable in the prescriptive model is the significance of competitive advantage in the selected deposit money banks in Nigeria. The results of the path analysis, as revealed in the prescriptive model, indicate that when commitment to learning is improved by one unit, the competitive advantage would show an improvement of 0.225 given that all other factors are held constant. This means that an increase in commitment to learning on a measurement scale would result in a corresponding improvement in competitive advantage, in the deposit money banks in Nigeria. Additionally, when open-mindedness is improved or enhanced by one-unit, competitive advantage was improved by 0.367 holding another factors constant. This means that an increase in open-mindedness on a measurement scale would result in a corresponding improvement in competitive advantage, in the deposit money banks in Nigeria. Furthermore, when shared value is improved or enhanced by one-unit, competitive advantage was improved by 0.106 holding another factors constant. This means that an increase in shared value on a

measurement scale would result in a corresponding improvement in competitive advantage, in the deposit money banks in Nigeria.

Further, the evaluation of the relative effect (β) of the significant exogenous variables showed that Open-mindedness ($\beta = 0.367, p < 0.05$) has the highest positive and significant effect on competitive advantage, followed by a commitment to learning ($\beta = 0.225, p < 0.05$) and lastly, shared values ($\beta = 0.106, p < 0.05$). Going by the summarized PLS-SEM results in Table 4.3.6a ($Adj R^2 = 0.333, p < 0.05, Q^2 = 0.109$), the study results suggested that employee learning orientation (commitment to learning, competitive advantage and shared values) significantly affects competitive advantage. In addition, since the Q^2 value was above zero, it showed that the overall study model was both relevant and significant ($p < 0.05$). Hence, deposit money banks should pay more attention to open-mindedness and shared value to improve competitive advantage in the banking industry. Therefore, the null hypothesis (H_0) which states that learning orientation dimensions have no significant effect on competitive advantage in the deposit money banks in Nigeria, was rejected.

Discussion

The hypothesis tested revealed that learning orientation dimensions have a significant effect on the competitive advantage of selected deposit money banks in Lagos State, Nigeria. The empirical review provides substantial support for the finding that learning orientation dimensions significantly impact the competitive advantage of banks. Numerous studies, such as those by Wu et al. (2019), Zeng et al. (2020), and Sawaeen and Ali (2021), have demonstrated the positive relationship between learning orientation and competitive advantage. For example, Wu et al. (2019) highlight that investing in employee learning and development can enhance a bank's competitiveness. Similarly, Zeng et al. (2020) emphasize the importance of self-efficacy in bolstering bank competitiveness. Furthermore, Wahyono and Hutahayan (2021) found that learning orientation positively influences knowledge competence and innovation, leading to improved competitive advantage for small and medium-sized enterprises (SMEs) in the textile industry. These findings align with the overarching conclusion that investing in learning orientation can yield competitive advantages for banks and other organisations.

However, some studies offer divergent perspectives on the relationship between learning orientation and competitive advantage. Wang et al. (2021) examined learning goal orientation and its connection to competitive advantage but found that the direct link was not well-established. They introduced factors like coping strategies and role clarity, suggesting that the relationship might be more complex than initially assumed. Similarly, Templer et al. (2020) investigated the interactive effects of variables like customer orientation and role clarity on competitive advantage, indicating that the influence of learning orientation might depend on other contextual factors. These studies highlight the need for a nuanced understanding of the relationship between learning orientation and competitive advantage, considering various moderating factors and contextual differences.

From a theoretical perspective, the findings align with the Knowledge-Based View (KBV) and Organisational Learning Theory (OLT). KBV emphasises the strategic management of knowledge as a critical source of competitive advantage. Studies like those by Wahyono and Hutahayan (2021) and Correia et al. (2023) support this view by demonstrating how learning orientation enhances knowledge competence and innovation, thereby contributing to competitive advantage. Similarly, OLT underscores the importance of fostering a culture of continuous learning within organisations. Research by Rostini et al. (2021) and Bakar et al. (2015) corroborates this theory by showing how learning orientation leads to entrepreneurial commitment and organisational learning, ultimately leading to competitive advantage.

However, it's essential to acknowledge that not all empirical findings perfectly align with these theoretical frameworks. Some studies, such as those by Wang et al. (2021) and Templer et al. (2020), present challenges to the straightforward application of KBV and OLT. These studies suggest that the relationship between learning orientation and competitive advantage might be contingent on other factors, such as coping strategies, role clarity, and organisational context. Thus, while KBV and OLT provide valuable frameworks for understanding the relationship between learning orientation and competitive advantage, they may need to be supplemented with additional theories or considerations to fully capture the complexity of this relationship in different contexts. Therefore, based on the overall result the null hypothesis (H_0) which states that learning orientation dimensions have no significant effect on competitive advantage in the deposit money banks in Nigeria, was rejected.

Conclusion and Recommendations

The study concludes that learning orientation dimensions improved the competitive advantage of selected deposit money banks in Lagos State, Nigeria. The findings of this study made important contributions to knowledge conceptually, theoretically and empirically. Conceptually, the study identified and filled conceptual gaps in literature regarding learning orientation, shared vision, commitment to learning, open-mindedness, competitive advantage, innovation, service quality and responsiveness to customers. Theoretically, the findings of this study affirmed the utilization of Knowledge-Based View (KBV) and Organisational Learning Theory (OLT) as the baseline theories of the study. Both theories were selected to guide this study because they provided perspectives that are directly related to this study and the variables under investigation. As a result, future studies can cite this study as supporting these theories. Empirically, the findings of this study support the view that learning orientation dimensions influences competitive advantage. Thus, the empirical outcome of this study contributes to the existing empirical findings in the area of learning orientation dimensions and competitive advantage, and equally serve as a reference material for future researchers. The study recommended that banks should prioritise strategies aimed at improving learning orientation to sustain their competitive advantage. Future study could investigate the influence of leadership styles, such as transformational, transactional, and servant leadership, on fostering a learning-oriented culture within

deposit money banks (DMBs). Furthermore, future research could explore how DMBs can strategically integrate technology initiatives with learning-oriented practices to drive competitive advantage in the dynamic banking industry.

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