

Enhancing Competitive Advantage: The Role of Self-Efficacy in Addressing Customer Loyalty and Delivery Dependability

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Abstract

The study posited that self-efficacy components play a significant role in determining the competitive advantage of Deposit Money Banks (DMBs). To quantitatively resolve this argument, 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 analysed using descriptive and inferential (SEM) statistics at 5% significance level. The partial least squares structural equation modeling (PLS-SEM) analysis results revealed that self-efficacy components had positive and significant effect on competitive advantage of selected Deposit Money Banks in Lagos State, Nigeria [$Adj R^2 = 0.262$; $F^2 = 0.0288$; $SRMR = 0.062$, $NFI = 0.751$, $p < 0.05$]. Thus, this study recommends that DMBs should prioritize initiatives aimed at cultivating a culture of self-efficacy among their employees by allocating resources towards continuous employee development.

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Background to the Study

In today's highly competitive banking industry, deposit money banks are confronted with challenges of disruptive forces of technological innovations, shifting consumer behaviors, and the emergence of agile fintech competitors, thus, cultivating a loyal customer base and ensuring reliable, consistent service delivery have become indispensable imperatives for long-term success and sustained competitive advantage (Jackson & Heath, 2022; Mahdi & Hammad, 2021). Customer loyalty, once considered a cornerstone of the banking industry, has become an increasingly elusive goal, as customers exhibit a heightened willingness to switch providers in pursuit of superior experiences, personalized offerings, and seamless digital interactions (Hitt et al., 2020). This erosion of loyalty poses significant risks, including diminished market share, reduced revenue streams, and escalating customer acquisition costs (Adebayo & Adegbite, 2020).

Concurrently, delivery dependability represents another critical dimension of competitive advantage in the banking sector (Umar & Sambo, 2021). Timely and reliable service delivery is essential for meeting customer expectations and maintaining trust. Yet, deposit money banks often face operational challenges that negatively affect their ability to consistently deliver services efficiently (Mahdi & Hammad, 2021). Issues such as system downtime, transaction delays, and ineffective communication channels can undermine customer satisfaction and erode trust in the bank's reliability, all of which are suggestive of the lack of self-efficacy that may act as a catalyst for operational excellence (Mahdi & Hammad, 2021). Empowering employees with the confidence and skills to overcome obstacles and adapt to changing circumstances, may enhance customer loyalty and delivery dependability and strengthen deposit money banks competitive positioning (Hitt et al., 2020).

The global banking industry is grappling with the pervasive challenges of eroding customer loyalty and inconsistent delivery dependability, which threaten to undermine the sector's competitiveness and long-term sustainability (Jackson & Heath, 2022). This phenomenon is not confined to any particular region or economy but has manifested itself across diverse geographic and economic landscapes, necessitating urgent attention and strategic interventions (Umar & Sambo, 2021). In the United States, the banking sector's struggle to retain customer loyalty is well-documented. According to a recent study by Bain and Company (2022), a staggering 70% of American consumers expressed a willingness to switch banks, citing dissatisfaction with service quality, lack of personalized offerings, and limited digital capabilities as key drivers of this sentiment. Furthermore, data from the U.S. Federal Reserve (2021) reveals that the rate of account closures across U.S. banks increased by 15% between 2019 and 2021, underscoring the profound impact of diminishing customer loyalty.

The narrative is similar in Europe, where banks in countries like Spain and France are grappling with comparable challenges. The Spanish Banking Association's (AEB) annual report (2022) indicated that only 42% of Spanish banking customers expressed high levels

of loyalty towards their primary financial institution, while in France, a study by Deloitte (2021) found that a mere 38% of customers were satisfied with the delivery reliability of their bank's services. Also, in Asia, Japan's banking sector has faced its fair share of customer loyalty and delivery dependability issues. According to the Japanese Bankers Association (2022), the customer attrition rate among Japanese banks rose by 12% between 2018 and 2021, with a significant portion of customers citing delays in service delivery and lack of digital capabilities as contributing factors.

The challenges are equally prevalent in emerging economies, where the banking sector plays a pivotal role in driving financial inclusion and economic development. In India, a report by the Reserve Bank of India (RBI, 2022) revealed that customer complaints related to service delivery delays and unreliable digital platforms increased by 22% between 2020 and 2022, reflecting the sector's struggle to meet evolving customer expectations. On the African continent, the picture is no different. In South Africa, a study by the Banking Association of South Africa (BASA) (2021) found that only 47% of customers expressed loyalty towards their primary bank, with service quality and delivery reliability cited as major areas of concern. Similarly, in Kenya, the Central Bank of Kenya (CBK) (2022) reported a 19% increase in customer complaints related to service delivery issues between 2020 and 2022, highlighting the ongoing challenges faced by the country's banking sector.

Nigeria's banking industry has also been grappling with customer loyalty and delivery dependability problems. According to the Central Bank of Nigeria (CBN) (2023), the volume of customer complaints related to service delivery failures and unreliable digital channels increased by 28% between 2021 and 2022. Furthermore, a survey conducted by PwC Nigeria (2022) revealed that only 38% of Nigerian banking customers expressed high levels of loyalty towards their primary financial institution, citing poor service quality and inconsistent delivery as major contributors to this sentiment. The statistics above indicates a sobering picture of the challenges confronting the global banking sector, underscoring the urgent need for strategic interventions and innovative solutions. As customer expectations continue to evolve and the competitive landscape becomes increasingly complex, banks must prioritize initiatives that foster customer loyalty, enhance service quality, and ensure consistent, reliable delivery across all channels and touchpoints (Adebayo & Adegbite, 2020; Umar & Sambo, 2021).

Several empirical studies have examined the relationship between self-efficacy and competitive advantage across various industries. For instance, Ibrahim et al. (2015) investigated customer satisfaction with self-service technology in retail banking and found that dependability significantly impacts customer satisfaction. Similarly, Nwanzu and Babalola (2019) explored psychological capital and organizational change attitudes, revealing that optimism, self-efficacy, and self-monitoring positively influence employees' attitudes towards change. Additionally, Najib et al. (2020) examined the impact of entrepreneurial self-efficacy on marketing performance in small and medium-sized restaurants, highlighting a positive relationship between self-efficacy and uniqueness. Despite these insights, there remain gaps in the literature regarding the

application of self-efficacy to specific sectors, such as the banking industry, and its influence on variables like delivery dependability.

Recommendations from previous studies emphasize the need to extend research on self-efficacy and competitive advantage to different contexts and sectors. For example, Kim (2019) suggests exploring how self-efficacy affects variables like delivery dependability, which are crucial in the banking sector. Similarly, Erum et al. (2019) advocate for replicating studies in diverse contexts and including additional variables not previously considered. Therefore, there is a clear call for focused research to investigate how self-efficacy, particularly in terms of persistence, competence, and perceived control, influences competitive advantage within the Nigerian banking sector. In light of these considerations, conducting a study specifically examining the impact of self-efficacy on competitive advantage in Nigerian deposit money banks could yield valuable insights. By assessing the role of self-efficacy in enhancing factors such as service reliability, employee attitudes, and organizational performance, this research has the potential to inform strategic initiatives aimed at improving competitive positioning and customer satisfaction in the banking industry. Hence, there is a knowledge gap, and this study filled this gap on self-efficacy components and competitive advantage. The formulated hypothesis for this paper is thus stated as:

Null Hypothesis: Self-efficacy components have no significant effect on competitive advantage of selected Deposit Money Banks in Lagos State, Nigeria.

Review of Literature

Competitive Advantage

Competitive advantage is the ability of a bank to offer unique value to its customers, thereby commanding a premium in the market and outperforming competitors (Mahdi & Hammad, 2021). Competitive advantage for banks refers to the superior position achieved by a bank in terms of customer satisfaction, brand reputation, and market share compared to its rivals (Adebayo & Adegbite, 2020). Hitt et al. (2020), opined that competitive advantage is the possession and exploitation of valuable, rare, and inimitable resources and capabilities that are difficult for competitors to replicate by a bank. According to Umar and Sambo (2021), competitive advantage is the ability of banks to understand and anticipate customer needs, deliver superior service, and build long-term relationships based on trust and loyalty. Competitive advantage for banks is derived from their ability to offer a unique value proposition to customers, supported by operational excellence, product innovation, and effective marketing strategies (Jackson & Heath, 2022). For the purpose of this study, competitive advantage is measured by delivery dependability and customer loyalty.

Delivery Dependability

Delivery dependability is a measure of the ability of a system or process to meet customer needs and expectations consistently (Ramaekers et al., 2018). It is often used in logistics and supply chain management but can also apply to other areas, such as manufacturing

and service delivery. One definition of delivery dependability is the degree to which a system or process can meet its promised delivery time and quantity (Trattner et al., 2019). This can be measured by tracking the number of on-time and complete deliveries and the number of exceptions or deviations from the promised delivery schedule. Another definition of delivery dependability is the ability of a system or process to consistently meet customer needs and expectations in terms of quality, reliability, and responsiveness (Lampon & Rivo-Lopez, 2022).

Customer Loyalty

Customer loyalty is a multifaceted concept, with researchers offering various definitions. One widely accepted definition of customer loyalty entails a customer's commitment to repeatedly purchasing products or services from a specific company, termed as behavioural loyalty (Budur & Poturak, 2021). This loyalty hinges on the customer's actions rather than their attitudes or intentions. Another perspective defines customer loyalty based on the emotional attachment customers have towards a brand, known as affective loyalty (Rangriz & Bayrami-Shahrivar, 2019). It encompasses positive sentiments like trust, respect, and admiration towards a brand. Affective loyalty often leads to customers recommending the brand to others and remaining loyal despite negative experiences. A third definition of customer loyalty revolves around the cognitive evaluation of a brand, referred to as cognitive loyalty (Iglesias et al., 2020). Cognitive loyalty involves customers believing in a brand's superiority over its competitors, resulting in repeated purchases and decreased sensitivity to price fluctuations.

Self-Efficacy

Self-efficacy is based on the idea that it is a cognitive-motivational construct (Etehad & Karatepe, 2019). This interpretation suggests that self-efficacy is a person's belief in their ability to control their actions and outcomes. It is considered a vital determinant of an individual's motivation and persistence in achieving a goal. Self-efficacy is a construct that has been widely studied in various fields such as psychology, education, and healthcare. It refers to an individual's belief in their ability to task or achieve a goal successfully. However, the definition of self-efficacy has evolved, and different researchers have proposed various interpretations. Another definition of self-efficacy is based on the idea that it is a multidimensional construct. This interpretation suggests that self-efficacy is composed of different dimensions, such as task-specific self-efficacy, which refers to an individual's belief in their ability to perform a specific task, and general self-efficacy, which refers to an individual's belief in their ability to perform a variety of tasks (Demir, 2020). This multidimensional view of self-efficacy is thought to provide a more comprehensive understanding of the construct. For the purpose of this study, self-efficacy is measured by persistence, competence and perceived control.

Persistence

Persistence is the ability to persist in a task or goal despite obstacles or challenges (Pollack et al., 2019). This definition emphasises the perseverance and determination required to

overcome barriers and succeed. Similarly, Feng and Chen (2020), define persistence as the ability to maintain a positive attitude and mindset, even in adversity. In the same vein, it emphasises the importance of maintaining a positive outlook and staying optimistic, even when faced with difficult situations. Another definition of persistence is maintaining consistent effort or competitive advantage over time (Caliendo et al., 2020). This definition highlights the importance of maintaining focus and staying motivated in the face of long-term challenges. Additionally, persistence can be defined as the ability to maintain a sense of purpose or direction in one's life (Dissanayake et al., 2019). This definition emphasises the importance of having a clear sense of direction and purpose to achieve one's goals and aspirations.

Perceived Competence

Competence is a term that has been defined and debated in various fields, such as psychology, education, and business management. In psychology, competence is often defined as effectively performing a task or function (Hung et al., 2021). This can include cognitive, social, and emotional abilities. In education, competence is often defined as applying knowledge and skills to real-world situations. This can include critical thinking, problem-solving, and communication skills. In business management, competence is often defined as the ability to perform a job or function at a high level of proficiency (Molero-Jurado et al., 2022). This can include technical skills, leadership abilities, and the ability to work well in a team. Despite these different definitions, there is a common thread among them. Competence is the ability to perform or achieve something at a high level.

Perceived Control

Perceived control refers to an individual's belief in their ability to influence or control events and outcomes in their environment. It is a cognitive construct closely related to self-efficacy and locus of control. The concept of perceived control has been studied in various fields, such as psychology, sociology, and health care. One definition of perceived control is the extent to which an individual believes they can influence events and outcomes that affect their life (Chan & Lay, 2021). This includes both internal and external factors. For example, individuals may believe they have control over their emotions and behaviors and external factors such as the weather or political events. Another definition of perceived control is how individuals feel they control their lives and the events that affect them (Awofala et al., 2019). This includes both personal and external factors. For example, individuals may feel they have control over their thoughts, actions, and external factors such as their job or financial situation.

Self-Efficacy and Competitive Advantage

Recent research underscores the critical role of self-efficacy across various contexts, with studies highlighting its importance in areas such as market orientation, learning orientation, innovation, and employee well-being. Arshad et al. (2020) and Sawaeen and Ali (2020) found positive associations between self-efficacy and competitive advantage in SMEs, emphasizing its significance in fostering innovation and leadership effectiveness.

Similarly, studies by Najib et al. (2020) and Wei et al. (2020) highlighted the role of self-efficacy in promoting uniqueness in marketing competitive advantage and stimulating innovation behavior among entrepreneurs. Furthermore, Mumtaz and Parahoo (2020) demonstrated that self-efficacy positively influences employee innovation competitive advantage, particularly in conjunction with high growth need strength.

Conversely, while self-efficacy is often touted as a positive predictor of competitive advantage, some studies present nuanced findings. Hidayat and Panjaitan (2022), Aqmar (2022), and Herwana et al. (2021) did not find significant effects of self-efficacy on employee performance, suggesting that in certain contexts, its impact may be less pronounced. Similarly, Dzimidienė and Bagdžiūnienė (2022) found no significant relationship between self-efficacy and innovative behavior, indicating that its influence may vary depending on the specific organizational context and other factors at play. Additionally, Samsiyah and Dewi (2021) and Afrida et al. (2022) reported non-significant effects of self-efficacy on employee satisfaction and personnel performance, respectively, suggesting that its role in driving organizational outcomes may be contingent on various factors.

Theoretical Framework

This study is grounded in the theoretical frameworks of the Knowledge-Based View (KBV) and Organisational Learning Theory (OLT). The KBV, pioneered by Grant in 1991, posits that competitive advantage stems from an organisation's ability to effectively manage and leverage its knowledge resources. On the other hand, OLT, which traces its origins to the seminal work of Chris Argyris and Donald Schön in 1978, emphasizes the importance of continuous learning and adaptation within organisations to enhance performance and competitiveness.

The examination of the Knowledge-Based View (KBV) and Organizational Learning Theory (OLT) holds significant relevance in understanding the dynamics of competitive advantage within Deposit Money Banks (DMBs). KBV posits that an organization's knowledge assets are central to its competitive advantage, suggesting that firms with superior knowledge resources are better positioned to outperform competitors. OLT, on the other hand, emphasizes the importance of organizational learning processes in acquiring, interpreting, and applying knowledge to enhance competitiveness. Both theories assume that learning orientation, characterized by a proactive attitude towards acquiring and applying knowledge, plays a crucial role in shaping competitive advantage within DMBs.

Support for the KBV and OLT perspectives in the context of DMBs stems from empirical evidence indicating a positive relationship between learning orientation and competitive advantage. Studies have shown that banks fostering a culture of continuous learning tend to innovate more rapidly, adapt to market changes more effectively, and develop stronger customer relationships, thereby enhancing their competitive position. Moreover, the dynamic nature of the banking industry, marked by technological advancements and

evolving customer preferences, underscores the importance of knowledge-based capabilities and organizational learning in maintaining competitiveness.

However, critics argue that the applicability of KBV and OLT may be limited by various factors within the DMB sector. These factors include regulatory constraints, resource constraints, and the inherent complexity of financial services. Additionally, challenges related to knowledge sharing and retention may hinder the effective implementation of learning-oriented strategies. Critics also raise concerns about the potential for imitation by competitors, whereby knowledge-based advantages may be eroded over time. Despite these criticisms, the theoretical underpinnings of KBV and OLT offer valuable insights into the strategic management of knowledge resources and organizational learning, which remain pertinent considerations for DMBs seeking to sustain competitive advantage in a dynamic and competitive marketplace.

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 analysed 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. Consequently, the regression equation was established based on the components of self-efficacy and competitive advantage. Therefore, the model was formulated regarding the research objective:

$Y = f(X)^n$ that is:

$Y = f(x_1, x_2, x_3)$

$Y = \alpha_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \mu_1, \dots \dots \dots \text{eq. 1}$

Where: Y = Competitive Advantage (CA)

X = Self-Efficacy (SE)

Where:

Y = Competitive Advantage (CA)

y_1 = Delivery Dependability (DD)

y_2 = Customer Loyalty (CL) Persistence

X = Self-Efficacy (SE)

x_1 = Persistence Competence (PCom)

x_2 = Perceived Control (PCon)

x_3 = Persistence (Per)

The functional relationship of the model is presented as:

$$\text{Hence: } CA = \beta_0 + \beta_1 PCom + \beta_2 PCon + \beta_3 Per + \varepsilon_i \dots \dots \dots \text{eq.2}$$

Where:

β_0 = Constant term

β_1 = Coefficient of Persistence

β_2 = Coefficient of Perceived Competence

β_3 = Coefficient of Perceived Control

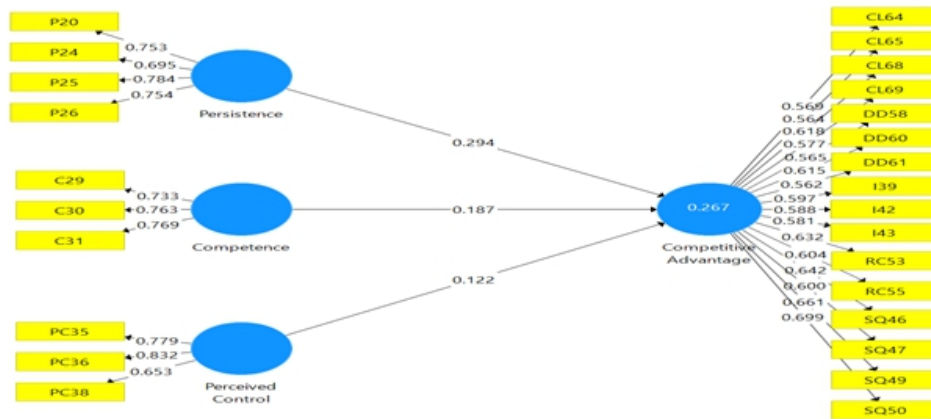
ε_i = error or stochastic terms

Utilizing the partial least squares structural equation modeling (PLS-SEM) analysis, the hypothesis was tested at a 95% confidence interval. The study *a priori* expectation is that a positive and significant effect will be observed from self-efficacy components on competitive advantage of the selected DMBs. Moreover, this study adhered strictly to ethics of research regarding anonymity, respect for human dignity, confidentiality, and non-falsification of data, while non-data manipulation was implemented in the data collection and collation procedure. In the same vein, materials retrieved from previous works conducted by other scholars were duly acknowledged.

Data Analysis, Results Presentation, and Discussions

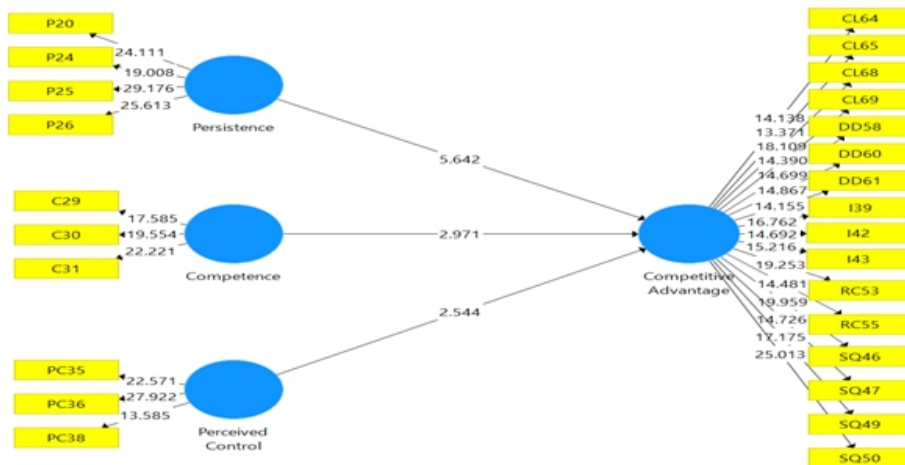
In order for the researchers to determine whether self-efficacy components have no significant effect on on the competitive advantage of deposit money banks in Lagos State, Nigeria, the partial least squares structural equation modeling (PLS-SEM) analysis was applied. The predictor variable used in the study was self-efficacy components (persistence, competence, and perceived control), while the outcome variable was competitive advantage (delivery dependability and customer loyalty). The results of the analysis and parameter estimates achieved from the analysis are presented in Tables 1-3. Also, figure 1a and 1b displays the outcomes of the bootstrapping procedure, illustrating the obtained results and their implications for the structural model analysis for the hypothesis.

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



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

Figure 1b: T-Statistics for the Hypothesis



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

Table 1: Summary of the PLS-SEM for Self-efficacy Dimensions and Competitive Advantage

Path Description	Original Sample (o) Unstandardized Beta (β)	T	Sig.	F ²	R	R ²	Adj. R ²	Q ²
Competence -> Competitive Advantage	0.187	2.971	0.003	0.027				
Perceived Control -> Competitive Advantage	0.121	2.544	0.011	0.013				
Persistence -> Competitive Advantage	0.296	5.642	0.001	0.067	0.375	0.517	0.262	0.093

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

Table 1 presents a comprehensive overview of the Partial Least Squares Structural Equation Modelling (PLS-SEM) analysis conducted to investigate the influence of self-efficacy dimensions on competitive advantage within deposit money banks in Nigeria. The analysis evaluates three fundamental dimensions of self-efficacy: competence, perceived control, and persistence, and their respective impacts on competitive advantage, a critical determinant of organisational success and performance.

Competence: The unstandardized beta coefficient (β) for competence is calculated as 0.187, with a corresponding *t*-value of 2.971 and a *p*-value of 0.003, indicating a statistically significant positive relationship with competitive advantage. This suggests that employees' perceived competence significantly contributes to the bank's competitive advantage, implying that individuals who believe in their abilities to perform tasks effectively are more likely to contribute to the bank's competitive edge.

Perceived Control: The unstandardized beta coefficient (β) for perceived control is determined to be 0.121, with a *t*-value of 2.544 and a *p*-value of 0.011, suggesting a statistically significant positive association with competitive advantage. This underscores the importance of employees' sense of control over their work environment and tasks in enhancing the bank's competitive position. Employees who perceive a higher level of control are likely to exhibit proactive behaviors and initiatives that positively impact the bank's competitiveness.

Persistence: The unstandardized beta coefficient (β) for persistence is estimated at 0.296, with a *t*-value of 5.642 and a *p*-value of 0.001, indicating a statistically significant positive relationship with competitive advantage. This indicates that employees' persistence in overcoming challenges and pursuing goals plays a crucial role in fostering the bank's competitive advantage. Individuals who demonstrate high levels of persistence are more likely to persevere in the face of obstacles, contributing to the bank's resilience and

adaptability in the competitive landscape. Furthermore, the F^2 values associated with each dimension provide insights into their relative importance in explaining variance in competitive advantage. Specifically, persistence ($F^2 = 0.067$) exhibits the highest impact, followed by competence ($F^2 = 0.027$) and perceived control ($F^2 = 0.013$), indicating the varying degrees of influence each dimension exerts on the bank's competitive advantage.

The correlation coefficient (R) between the self-efficacy dimensions and competitive advantage reflects the strength and direction of their relationship. The overall R^2 value of 0.517 suggests that the self-efficacy dimensions collectively account for approximately 51.7% of the variance in competitive advantage, highlighting their substantial explanatory power in determining the bank's competitive position. The adjusted R^2 value of 0.262 indicates the proportion of variance in competitive advantage explained by the self-efficacy dimensions while considering the number of predictors in the model, indicating a moderate level of explanatory adequacy. Lastly, the Stone-Gleisser Q^2 value of 0.093 signifies the predictive relevance of the self-efficacy dimensions on competitive advantage. While considered small, this value indicates that the structural model specified is relevant and significant, providing valuable insights into the relationship between self-efficacy and competitive advantage in deposit money banks in Nigeria.

Table 2: Model Fit for Self-efficacy Dimensions and Competitive Advantage

Model	Saturated Model	Estimated Model
SRMR	0.062	0.062
d_ULS	1.343	1.343
d_G	0.367	0.367
Chi-Square	854.693	854.693
NFI	0.751	0.751

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

The fit results presented in Table 2 shed light on the model fit for Hypothesis Seven, which examines the impact of self-efficacy dimensions on competitive advantage in deposit money banks in Nigeria. Both the saturated and estimated models are scrutinized to assess the adequacy of the study model. The Standardised Root Mean Square Residual (SRMR) for both models indicate a value of 0.062, falling below the conventional threshold of 0.08. This suggests a good fit and minimal model misspecification, indicating that the study model effectively represents the data. Looking at the squared Euclidean distance (d_ULS) for both models, we observe a value of 1.343, which exceeds the widely accepted threshold of >0.5 . While this may suggest some disparities between the observed and model-implied correlation matrices, it's essential to consider other fit indices for a comprehensive assessment of model fit.

Similarly, the Normed Fit Index (NFI) for both models stand at 0.751, indicating a relatively close alignment between the models and the data. Although this value is 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 854.693. While Chi-Square alone may not provide a comprehensive assessment of model fit, its consistency across both models indicates stability in the findings. In summary, the fit indices suggest that the model investigating the impact of self-efficacy dimensions on competitive advantage in deposit money banks in Nigeria demonstrates a satisfactory fit for the data. However, the results suggest that self-efficacy dimensions may not significantly affect competitive advantage within this context. Further analysis and interpretation of the findings, coupled with additional research, may provide deeper insights into the relationship between self-efficacy dimensions and competitive advantage in the banking sector.

The multiple regression model generated from the data in Table 1 is thus expressed as:
 $CA_i = \alpha_0 + 0.187PCom_i + 0.121PCon_i + 0.296Per_i + U_i$ -----Eqn i (Predictive Model)
 $CA_i = \alpha_0 + 0.187PCom_i + 0.121PCon_i + 0.296Per_i + U_i$ -----Eqn i (Prescriptive Model)

Where:

CA = Competitive advantage

PCom = Perceived Competence

PCon = Perceived Control

Per = Persistence

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 competence is improved by one unit, the competitive advantage would show an improvement of 0.187 given that all other factors are held constant. This means that an increase in competence on a measurement scale would result in a corresponding improvement in competitive advantage, in the deposit money banks in Nigeria. Additionally, when perceived control is improved or enhanced by one-unit, competitive advantage was improved by 0.121 holding another factors constant. This means that an increase in persistence on a measurement scale would result in a corresponding improvement in competitive advantage, in the deposit money banks in Nigeria.

Furthermore, when persistence is improved or enhanced by one-unit, competitive advantage was improved by 0.296 holding another factors constant. This means that an increase in persistence 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 persistence ($\beta = 0.296, p < 0.05$) has the highest positive and significant effect on competitive advantage, followed by competence ($\beta = 0.187, p < 0.05$) and lastly, perceived control ($\beta = 0.121, p < 0.05$). Going by the summarized PLS-SEM results in Table 4.3.7a (*Adj R² = 0.262, p < 0.05, Q² = 0.093*), the study results suggested that self-efficacy (competence, perceived control and persistence) 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 self-efficacy dimensions have no significant effect on competitive advantage in the deposit money banks in Nigeria, was rejected.

Discussion of Findings

The test hypothesis tested above revealed that self-efficacy dimensions had a significant effect on the competitive advantage of selected deposit money banks in Lagos State, Nigeria. The findings of the empirical review align with existing studies that underscore the positive association between self-efficacy and competitive advantage in various organisational contexts. The study of Arshad et al. (2020) demonstrated the significance of self-efficacy in fostering competitive advantage in Pakistani SMEs, while Najib et al. (2020) highlighted the positive relationship between entrepreneurial self-efficacy and uniqueness in marketing competitive advantage. Similarly, Mumtaz and Parahoo (2020) found that self-efficacy positively affects innovation and competitive advantage, particularly in conjunction with high growth and strength. These studies collectively support the notion that higher levels of self-efficacy among employees can contribute to a firm's competitive advantage by fostering innovation, uniqueness, and overall organisational performance.

However, the finding negates the provision of the findings of other studies which reveal divergent findings from studies that question the direct impact of self-efficacy on competitive advantage. For example, Hidayat and Panjaitan (2022) did not find a significant positive effect of self-efficacy on employee performance in their study, suggesting a nuanced relationship between self-efficacy and competitive advantage in specific contexts. Similarly, Aqmar (2022) and Herwana et al. (2021) found no significant influence of self-efficacy on employee performance or organisational outcomes, indicating that in certain work cultures or organisational contexts, self-efficacy may not play a significant role in enhancing competitive advantage. These divergent findings highlight the importance of considering contextual factors and other influencing variables when examining the relationship between self-efficacy and competitive advantage.

From a theoretical perspective, the findings of the study align with the Knowledge-Based View (KBV) and Organisational Learning Theory (OLT), which both emphasize the strategic management of knowledge as a critical source of competitive advantage. According to KBV, a firm's ability to acquire, create, and apply knowledge is essential for maintaining competitive advantage. This aligns with the notion that self-efficacy, coupled with a learning orientation, can enhance an organisation's ability to leverage its knowledge assets effectively, thereby contributing to competitive advantage. Similarly, OLT emphasises the importance of continuous learning and improvement within organisations, suggesting that a learning orientation and self-efficacy can drive organisational learning and ultimately enhance competitive advantage. Therefore, the theoretical frameworks support the idea that self-efficacy, in conjunction with a learning

orientation, can positively influence competitive advantage by facilitating knowledge creation, sharing, and utilisation.

However, it is essential to acknowledge the limitations and nuances within these theoretical perspectives. While KBV and OLT provide valuable frameworks for understanding the relationship between self-efficacy and competitive advantage, they may not fully capture the complexities of organisational dynamics and contextual factors that influence this relationship. For example, the empirical review highlighted studies that found no significant effect of self-efficacy on organisational outcomes in specific contexts. This suggests that while self-efficacy may contribute to competitive advantage in some situations, its impact may vary depending on organisational culture, industry dynamics, and other contextual factors. Therefore, while KBV and OLT offer valuable insights, it is crucial to consider these contextual nuances when applying theoretical frameworks to real-world organisational settings.

The findings of the empirical review and theoretical perspectives suggest a complex relationship between self-efficacy and competitive advantage. While existing studies provide evidence supporting the positive influence of self-efficacy on competitive advantage, there are also divergent findings that emphasize the importance of considering contextual factors and other influencing variables. Theoretical frameworks such as KBV and OLT offer valuable insights into the mechanisms through which self-efficacy can contribute to competitive advantage, but they may not fully capture the complexities of real-world organisational dynamics. Therefore, future research should continue to explore the nuanced relationship between self-efficacy and competitive advantage in different organisational contexts, taking into account the interplay of various factors and theoretical perspectives. Therefore, on the premise of the overall results and discussions, the null hypothesis (H_0) which states that self-efficacy dimensions have no significant effect on competitive advantage in the deposit money banks in Nigeria, was rejected.

Conclusion and Recommendation

The findings of this paper revealed that self-efficacy components (persistence, perceived competence and perceived control) have a positive and significant effect on the competitive advantage of deposit money banks in Lagos State, Nigeria. The findings of this study contributed to existing body of knowledge conceptually, theoretically and empirically. Conceptually, the study identified and filled conceptual gaps in literature on concepts of self-efficacy, persistence, perceived competence, perceived control, competitive advantage, delivery dependability and customer loyalty. 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 self-efficacy dimensions influence competitive advantage. Thus, the

empirical outcome of this study contributes to the existing empirical findings in the area of self-efficacy dimensions and competitive advantage, and equally serve as a reference material for future researchers. Therefore, based on these findings, it is recommended that DMBs should prioritize initiatives aimed at cultivating a culture of self-efficacy among their employees by allocating resources towards continuous employee development. Future study should explore the influence of different factors, such as organizational culture, leadership styles, and employee motivation, on the relationship between self-efficacy and competitive advantage in Deposit Money Banks. Additionally, further research should be conducted to explore the specific strategies and interventions that can effectively enhance self-efficacy in the banking sector.

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