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Service Capacity and Market Growth in the use of Automated Teller Machines in selected Deposit Money Banks in Lagos State, Nigeria

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Abstract

This study examined service capacity and market growth in the use of Automated Teller Machines in selected deposit money banks in Lagos State, Nigeria. The study made use of descriptive survey research design. The population of the study was 258,699 ATM subscribers in Lagos State. The sample size was determined using Cochran's formula to arrive at 931. A multi-stage sampling method was used. The instrument used was structured questionnaire. The questionnaire was validated and administered with 82.9 percent response rate. The Cronbach alpha for service capacity and market growth were 0.844 and 0.890 respectively. Findings revealed that service capacity had positive effect on market growth (service capacity: r =0.267; R2 = 0.071; p < 0.05).The study concluded that for financial sector to grow their market, they must improve on their service capacity from time to time to the satisfaction of their existing and intending customers. The study, therefore recommends that organizations should embark on a robust service capacity that will take care of the needs of their existing customers as well as intending customers.

Keywords: Service Capacity, Market Growth, ATM, Banks
JEL Classification:

Contribution to/Originality Knowledge

1.0 Introduction

In Nigeria, the contemporary payment systems began with paper-based(bank notes, payment orders, and cheques), but in 1996, it later changed to include card-based electronic-payment products when the Central Bank of Nigeria (CBN) accepted All states Trust Bank approval to introduce a closed system electronic purse. This was further supported by Pahwa and Saxena (2011) who submitted that the development in financial sector started with cash, changed to paper and lately improved to plastic card economy. The introduction of 'pay card' by Diamond Bank in 1997 then followed. Furthermore, in1999, CBN allowed the establishment of two card service companies- Smartcard Nigeria and Gemcard Nigeria Limited- by a group of over 20 banks, which paved way for an open platform for card-based payment products (NIBSS POS Survey, 2015).

Also, Oboh (2005) stated that ATM was first introduced into the Nigerian banking sector in the late 1980 by Societe General Bank. First Bank and Equity Bank then followed suit in what was an ephemeral venture. The scheme was hindered by factors which included offline method of transaction, resistance to ATM tools by customers, epileptic power supply and high financial deployment outlay, and scarcity of competent support personnel (Ovia, 2006). Available data from the Central Bank of Nigeria (CBN) indicate that the amount of ATMs deployed stuck at 14,764 by June ending 2014, representing 15.8% increase above 12,755 as at December ending 2013. ATM transactions improved in both quantity as well as worth by 10.6% and 6.1% to 175,506,932 and #1,636.4 billion in the first half of 2014, from 158,629,927 and #1,542.6 billion in the second half of 2013, respectively. Before the advent of ATMs, banking transactions involved face-to-face dealings between the client and a bank teller. Machine has replaced that and made transactions an expedient and proficient experience (Madueme, 2008; Shamsuddoha, Chowdhury & Ahsan, 2005).

A breakdown of e-payment methods showed that ATM remained the most utilized; resulting in88.1% while the web (internet) was the least patronized, accounting for 1.1% of the total. In terms of worth, ATM accounted for 84.5% while web (internet) had 1.2% (Central Bank of Nigeria Economic Report,2013).Chinedu, Chima and Emeka (2012), however, observed that, in spite of the deployment of more than 900 ATMs by Nigerian banks, there are still a significant number of ATM users who are hesitant to utilize the ATM service. Furthermore, they asserted that, even in Lagos environs that has the larger chunk of the earliest bank customers, less than 10% of customers of the population utilized the machines. Findings by Ovia (2006) and Nwaze (2008) indicated that even with the increase in the Nigerian ATMs usage, it is still insignificant when compared to other countries and budding economies of the world.

Customers' awareness about queue efficiency in ATM operations may affect the patronage of banks. According to the famous philosopher Berkley, perception is epitome, that is, how long customers consider they wait matters more than how much they really take. Okiro and Ndungu (2013) stated that, for example, an inactive customer waiting for 9 seconds may infer it to be a stunning 3 minutes, which will create a negative impression about the ATM operations of the bank in question; hence, will affect the patronage of such bank. Oludimu and Olayinka (2008) in their study identified machine associated problems, service and power outages, greenness of some ATM users wasting time and first timers not knowing to do when at the ATM facility, system failures and lack of elegant ATM infrastructures that can have sufficient carrying capacity to take care of the emergent ATM customers as the causes of queuing inefficiency in ATM operations.

Also, other causes of inefficient queuing system in ATM operations include: incapability to see the ATM screen well as a result of the location of the sun, erroneously inserting the ATM card by the new user, some ATMs may not put forward the customer stipulated sum of money which may require using a few more key strokes. Furthermore, a number of ATM customers may discover that the commands on how to carry out operations somewhat complicated to understand, frequently, the card is returned to the customer when further transactions are

required, the menu options of some ATMs, sometimes, are not matched with their corresponding menu keys, hence, ensuing customers having to start the operations afresh, resulting in more time spent waiting for ATM service (Curan & King, 2008).

Constancy in Nigeria ATM population at the 11,000 mark for over half a decade, ensuing in an average of 11.39 ATMs per 100,000 adult population(adult population in Nigeria about 56 per cent 95.2 million according to a world bank report on population) (Okere, 2014). The submission of the former Deputy Governor of Central of Bank of Nigeria in 2012, Mr. Tunde Lemo on ATM availability was that, ATM availability fell short of the required quantity as 60,000 customers at present rely on a machine while the perfect condition supposed to be 15,000 ATM customers to a machine, which impelled banks, among other reasons for the injection of more machines, a deposit-taking machines inclusive between then and 2015 (Okere, 2014). Comparatively, Indonesia with an adult population of about 90m, more than doubled their ATM installed base from 16,700 in 2011 to 36,500 in 2012, resulting in 37 ATMs per 100,000 adult populations, about three times the ATM per adult capita in Nigeria. South Africa has 60 ATMs per 100,000 adult populations, while the UK has 124 ATMs per 100,000 adult populations. Nigeria clearly has a lot to do as the largest economy in Africa to improve on their ATMs capacity (Okere, 2014). This indeed is noticeable to the recent upsurge in the customer base of most banks without corresponding increase in service capacity (Okere, 2014). They have also identified to be against the initial objective of changing the face of banking in Nigeria, so as to offer efficient services at reduced cost and customer convenience (Solo, 2008). However, inadequate availability of ATMs brings about excessive time wasting in queue at ATM terminals, hence, overstretched the service capacity of the available ATMs which in turn will result in decline in market growth.

It is in view of this that the study wants to examine the effect of service capacity on market growth in the use of ATM in selected deposit money banks in Lagos State, Nigeria while the research question is that does service capacity have effect on market growth in the use of ATM in selected deposit money banks in Lagos State, Nigeria?

2.0 Literature Review

2.1 Conceptual Review

2.1.1 Concept of Service Capacity

According to Amistead and Clark (1991), capacity management in services to equal supply and demand has an unswerving control on the ability of the delivery system to attain service quality and resource productivity targets. Vicent (2008) revealed that capacity is the control to hold or contain and even about quantity or size. It then gives a pointer to questions such as “Do we have enough? If the answer to the first question is yes, it then follows that, “of what impact does it have on the market growth”, if no and how much is needed? The frontier of literature on quality management in services has been growing quickly (Berry, Zeithaml & Parasuraman, 1990; Collier, 1987; Gronroos, 1984).

Capacity management is the competence to stabilize request from consumers and the capability of the service delivery system to satisfy the request. This situates an emphasis on understanding the foremost nature of demand by predicting (Lovelock, 1984) and also the choices for running competence to meet the projected demand. Saser (1976) recommended two fundamental strategies for running capacity in services of "level" and "chase", the former appropriate where capacity is narrowed and so the focal point is on controlling demand to be in line with capacity, and the latter strategy being feasible when supply can be altered to suit demand. Thus, operations managers have to recognize the composition, the degree to which it can be altered, and the speed of reaction of their capacity (Slack, 1987), and the costs entailed (Heskett, Sasser & Hart, 1990).

Similarly, capacity management in service functions involves assessing activity for operations managers for the reason that the nature of the service delivery method and the concern of the customers in the practice confines the regular options available for managing the procedure to equal supply with demand; specifically, changing the capacity, holding and stock in advance of demand, and necessitating customers to remain for the service (Armistead & Clark, 1991). The objective of capacity management is to guarantee that infrastructure offers the cost-justifiable resources required in achieving current and prospect business service conditions, though guaranteeing that Information Technology resources are stipulated, managed, utilized and attained in a cost-effective way (Kalm & Waschke, 2009). Conclusively, service capacity can be defined as the maximum amount or number that can be received or contained by a system or an operation.

2.1.2 Concept of Market Growth

The growth is a significant phase of lifecycle for every profit making organisations. The foundations of business growth have been subject to a substantial academic interest. At the same time, growth of sales is a standard facet of the exceptional growth of a firm (Machek & Machek, 2014). Growth is a course of action which occurs over multiple time periods. The growth of firm can be represented by the transformation of some variable over time. The most repeatedly used measures of growth are most likely profit, physical output in natural units, sales in monetary units or market share. It is presumable that such measures of growth are interconnected. However, this communal reliance is indefinite and the empirical pronouncements on this topic are conflicting (Machek et al., 2014).

For example, evolutionary models suppose that profitability is the foremost factor of firm growth. Other researchers found that profitability has a positive impact on the growth rate, but growth rates have a negative effect on the existing year's profitability (SooCheong &Kwangmin, 2011). Occasionally, profitability is even considered to be in an undesirable relationship with a firm's growth, since profitability is concentrated on short-term results and postpones investments which belong to the sources of long-term growth.They acknowledged that business growth comprises of five phases of growth through: creativity, direction, delegation, coordination, and collaboration. At times, economic theorists differentiate two modes of growth as organic growth and inorganic growth (growth through mergers and acquisitions).

However, in the case of small and medium sized firms, almost all growth can be classified as organic. Enterprise growth has been studied by numerous researchers for several years using different terms by different authors to define the stages of an enterprise growth, but the events through which each enterprise passes remain almost the same. Enterprise growth can be identified in four theoretical perspectives: the resource-based perspective, the motivation perspective, the strategic adaptation perspective and the configuration perspective (Gupta, Guha & Krishnaswami, 2013). Growth is an organisational outcome resulting from the combination of firm-specific resources, capabilities and routines. A firm's growth opportunities are highly related to its current organisational production activities. Firm growth is also uncertain: environmental conditions such as competition and market dynamics play roles. For small firms, growth is also influenced by personal ambition of an entrepreneur (Zhou & Gerrit de Wit, 2009).

2.3 Theoretical Review

The study was anchored on Marketing Capabilities Theory which affirms the claim that an organization or firm who repeatedly applies their knowledge and skills of system performance and transforms it in ways that contributes to the achieving the firm's goals will develop a service capacity which will enhance their market growth. The system performance in this study is the service capacity, which is the independent variable. Deposit Money Banks need to repeatedly apply their knowledge and skills to improve their service capacity of Automated Teller Machines so as to achieve the Banks' goal of Market Growth in their operations.

2.4 Empirical Review

Gupta, Guha and Krishnaswami (2013) in their analysis of firm growth and determinants, they found that though there are many studies on the stages of enterprise development, there is dearth of literature on finding patterns of growth followed by the small and medium enterprises. Also, there is dearth of literature on the effect of environmental factors in determining growth path. There is need for framework which can help the industry to empirically test enterprise growth patterns under different conditions in which service capacity is inclusive.

Machek and Machek (2014) conducted a study titled factors of business growth based on a decomposition of sales growth into multiple factors. They identified four key factors affecting growth sales over time: labour productivity (sales-per-worker), labour intensity (workers-per-assets), capital intensity (assets-per-customers) and frequency of visits (customers per time unit). Since these factors are in a multiplicative form, they also proposed a logarithmic decomposition of business growth into a sum of partial factors in order to examine the contribution of the individual factors to the total sales growth. They also illustrated the use of the model on a case study of a company operating in the field of electricity sales in the Czech Republic. The model is straightforward and suitable for management of small and medium sized companies and can be used in the education of entrepreneurs as well.

Zhou and Gerrit de Wit (2009) in their study titled "Determinants and dimensions of firm growth". They provided such analysis. Many determinants of firm growth were summarized and classified into three dimensions: individual, organisational, and environmental

determinants. Their findings showed that environmental determinants do not affect firm growth. Individual ones do: entrepreneurs with growth motivation and having technical knowledge are more likely to grow their firms while entrepreneurs characterized by a strong need of achievement are less likely to engage in firm growth. Organisational determinants have the most influence on firm growth: the older the firm, the less likely it is to grow. Availability of financial capital was found to be crucial to firm growth. Finally, the firm's scalability (its preparedness to grow) was found to have a positive impact on firm growth.

3.0 Methodology

The survey research design of the descriptive type was adopted as the study guide. A descriptive survey study is used when an investigator seeks to have a look at several variables at an instance or perhaps at one-time simplest (Abogun & Fagbemi, 2011; Banerjee, 2013; Obasan & Soyebo, 2012). The independent variable of the study was service capacity, while the dependent variable was market growth. The primary populace for this study consisted of the people who are not categorized as 'minor' in the legal parlance (i.e. ages of 18 and above) and who are resident in Lagos State, Nigeria. The theoretical population of the study is given as 6, 160,991 (National Population Commission, 2010). It is expected that at this age, a person has a right to have a bank account and is equally eligible to use ATM devices. The secondary population consisted of all ATM users in Lagos State which was given as 258, 699. Nigerian Inter-Bank Settlement System [NIBSS] (2015) submitted that out of 6, 160, 991 populace in Lagos State, Nigeria, simple 90.2 per cent are banked adults. However, 70.4 per cent of them owned credit/debit cards, whilst 57.5 per cent of this population has Bank Verification Number (BVN) and it is only 11.5 per cent of the lots that used their debit/credit cards on daily basis, this resulted in the working population given as 258,699.

Specifically, high density urban centres of Ikeja, Lagos Island, Eti-Osa, Surulere, Apapa, Osodi/Isolo and Mushin as identified by NIBSS (2015) were used as the area of the study. Lagos State was selected due to the fact it is by far the most densely populated state in Nigeria with population of over 21 million people (National Population Commission, 2010). Presently, it has a population growth rate of 8 per cent per annum which makes it adjudged via its aggregate population as the third largest mega city in the world as projected by United Nations in 2015. Moreover, it is Nigeria's financial, commercial and production hub, harboring more than 60 per cent of the Nigeria's aggregate production and overseas investments; more than 65 per cent of the country's business transactions and more than 200 financial institutions in addition to the Nigerian Stock Exchange (NSE). Conclusively, more than 40 per cent of the total remunerations being paid in the country are done in Lagos State (Lagos State Government, 2014). With dynamic population strength, different ethnic groups that form the nation are present in cosmopolitan Lagos State (National Population Commission, 2010).

The population of the study was 258,699 ATM subscribers in Lagos State. The sample size was determined using Cochran's formula to arrive at 931. A multi-stage sampling method was used. Convenience sampling as a non-probability sampling technique was used in selecting the respondents for the study. This technique was adopted not only because it makes respondents easy to recruit, however it also guaranteed their expedient accessibility (Yakubu & Najim,

2014). The research instrument is a six (6) point Likert-type scale for responses to specific items as thus; Strongly Agreed (6), Agreed (5), Partially Agreed (4), Partially Disagreed (3), Disagreed (2) and Strongly Disagreed (1). In order to ensure the validation and reliability of the instrument, ninety three (93) copies of the questionnaire had been pre-tested among the ATM card users in Babcock University Community. However, these groups of respondents did not form part of the final respondents used for the study. The Cronbach-alpha method was used to decide reliability co-efficient of the major constructs; and the co-efficient values of 0.844 and 0.890 were obtained for service capacity and market growth respectively. The KMO values for service capacity and market growth have been 0.533 and 0.795 respectively while the Bartlett's value for both was 0.000.

The administration of the questionnaire was done by the researchers and two (2) research assistants who divided themselves into various ATM terminals within high density urban centres, which spread across seven (7) local government areas in Lagos State, Nigeria. Out of the 931 copies of the questionnaire allotted to the respondents; 772 copies of questionnaire were retrieved, representing 82.8 per cent response rate. Descriptive statistics were used to analyze the demographic constructs, while the postulated hypothesis was tested using simple regression analysis at 0.05 level of significance. Data analysis was carried out with the aid of Statistical package for Social Sciences (SPSS) –Version 22.

4.0 Results and Discussion of Findings

Research Objective

To examine the effect of service capacity on market growth in the use of ATM in selected deposit money banks in Lagos State, Nigeria.

Research Question

Does service capacity have effect on market growth in the use of ATM in selected deposit money banks in Lagos State, Nigeria?

In this section the descriptive analysis result of service capacity and market growth of ATM users in selected deposit money banks in Lagos State, Nigeria. .

Table 1: Descriptive Analysis on Service Capacity

	Strongly Agree	**Agree**	**Partially Agree**	**Partially Disagree**	**Disagree**	**Strongly Disagree**	**Total**
There is no time wasting when using ATMs.	87	508	158	1	1	17	772
	11.3%	65.8%	20.5%	0.1%	0.1%	2.2%	100.0%
ATMs hardly run out of cash.	124	311	314	3	2	18	772
	16.1%	40.3%	40.7%	0.4%	0.3%	2.3%	100.0%

ATMs always have network service.	54	440	269	1	4	4	772
	7.0%	57.0%	34.8%	0.1%	0.5%	0.5%	100.0%
ATMs terminals are spatial enough to accommodate number of customers.	103	445	219	2	2	1	772
	13.3%	57.6%	28.4%	0.3%	0.3%	0.1%	100.0%
There are reasonable cash points available in a particular location.	71	472	176	20	16	17	772
	9.2%	61.1%	22.8%	2.6%	2.1%	2.2%	100.0%

Source: Researcher's Field Survey Result, 2023

Table 1 showed the descriptive analysis of respondents' responses as regards service capacity. By combining responses under strongly agree, agree and partially agree, 723(97.5%) of the respondents agreed that there is no time wasting when using ATMs., 749(97%) of the respondents accepted that ATMs hardly run out of cash, 763(98.8%) agreed that ATMs always have network service. 767(99.4%) accepted that ATMs terminals are spatial enough to accommodate number of customers. And lastly, 719(93.1%) agreed that there are reasonable cash points available in a particular location.

Table 2: Descriptive Analysis on Market Growth

	Strongly Agree	**Agree**	**Partially Agree**	**Partially Disagree**	**Disagree**	**Strongly Disagree**	**Total**
My bank has a process to identify hidden or unmet needs of customers.	54	557	158	1	1	1	772
	7.0%	72.2%	20.5%	0.1%	0.1%	0.1%	100.0%
My bank has a process to identify potential customers.	70	432	267	1	2	0	772
	9.1%	56.0%	34.6%	0.1%	0.3%	0.0%	100.0%

My bank uses technology in a new way to increase sales.	68 8.8%	432 56.0 %	223 28.9%	46 6.0%	2 0.3%	1 0.1%	772 100.0 %
My bank has process to quickly translate the identified opportunitie s into growth.	25 3.2%	443 57.4 %	239 31.0%	48 6.2%	16 2.1%	1 0.1%	772 100.0 %
Generally, my bank customers' base has been on the increase.	100 13.0%	342 44.3 %	265 34.3%	17 2.2%	2 0.3%	46 6.0%	772 100.0 %

Source: Researcher's Field Survey Result, 2023

Table 2 showed the descriptive analysis of respondents' responses for Market Growth. Combining the responses under strongly agree, agree and partially agree, 769(99.6%) of the respondents agreed that their bank has a process to identify hidden or unmet needs of customers. 769(99.6%) of the respondents accepted thattheir bank has a process to identify potential customers, 723(93.7%) agreed thattheir bank uses technology in a new way to increase sales. 707(91.6%) respondents accepted thattheir bank has process to quickly translate the identified opportunities into growth. And lastly, 707(91.6%) agreed thattheir bank customers' base has been on the increase.

Restatement of Hypothesis (H_0): Service capacity has no significant effect on market growth in the use of ATM in selected deposit money banks in Lagos State, Nigeria.

In order to test the hypothesis, standard simple regression analysis was used. Data on service capacity and market growth of banks were obtained by adding the items under each of the variable. The results of the test of hypothesis are presented in Table 5.

Table 3: The Goodness-of-fit of Service Capacity and Market Growth in Lagos State

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.267[a]	.071	.070	2.60412

a. Predictors: (Constant), Service Capacity

Source: Author's Computation using SPSS

The Table 3 showed the model summary of both dependent variable (Service Capacity) and independent variable (Market Growth). The model summary in Table 5 established the effect of service capacity on market growth of banks in Lagos State.

Table 4: The Overall Significance

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	400.721	1	400.721	59.091	.000[b]
	Residual	5221.720	770	6.781		
	Total	5622.440	771			

a. Dependent Variable: Market Growth
b. Predictors: (Constant), Service Capacity

Source: Author's Computation using SPSS

Table 5: Regression Coefficient

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	15.180	1.058		14.344	.000	13.102	17.257
	Service Capacity	.238	.031	.267	7.687	.000	.177	.298

a. Dependent Variable: Market Growth

Source: Author's Computation using SPSS

The result presented in Table 3 showed that service capacity has a positive effect on market growth and this relationship was statistically significant at p= .000 [R = .267, p <.05]. This indicates that service capacity and market growth move in the same direction, that as service capacity increases, market growth also increases. The model R^2 (coefficient of determination)

was 0.071 indicates that service capacity explained 7.1% of the variance observed in market growth. In Table 4, the F statistic = 59.091 was significant at $p<0.05$ which revealed that the model was significant in explaining the effect of service capacity on market growth of banks in Lagos State. This finding is supported by a positive and significant unstandardized B coefficient in Table 5 that service capacity is [B = 0.238, t = 7.687, $p<0.05$].Therefore, the null hypothesis two (H_0) which states that service capacity has no significant effect on market growth of banks in Lagos State is hereby rejected. The regression model used to explain the variation in market growth due to the effect of service capacity of banks in Lagos State can be stated as follows:

$$MG = 15.180 + .238SC + \varepsilon \quad \text{..... (eqn.)}$$

Where:

MG = Market Growth

SC = Service Capacity

ε = Error term

4.1 Discussion

The regression equation indicated that the parameter estimates complied with a priori expectation which explains that service capacity will increase market growth of banks in Lagos State. The constant is 15.180 implies that if service capacity is zero, market growth would be 0.238. The coefficient of service capacity is 0.238 which indicates that a 1-unit increase in service capacity is associated with a 0.238 units increase in market growth of banks. This implies that an increase in service capacity will subsequently increase market share of banks in Lagos State. The result of the hypothesis demonstrated that service capacity of banks has a significant effect on market share in the use of ATM in selected deposit money banks in Lagos State, Nigeria.

Gupta, Guha and Krishnaswami (2013) researched on "Firm Growth and determinants". They found out that though there are many studies on the stages of enterprise development, there is dearth of literature on finding patterns of growth followed by the small and medium enterprises. Also, there is lack of literature on the effect of environmental factors in determining growth path. There is need for a framework which can help the industry to empirically test enterprise growth patterns under different conditions in which service capacity is inclusive. In spite of this dearth of literature as stated by the authors, the impact of service capacity on market growth cannot be overemphasized. This has been substantiated by the findings of this study as well as the findings of many authors who have researched in this area in the past.

Machek and Machek (2014) conducted a study titled "Factors of business growth: A decomposition of sales growth into multiple factors". The study identified four key factors affecting growth sales over time which includes; labour productivity (sales-per-worker), labour intensity (workers-per-assets), capital intensity (assets-per-customers) and frequency of visits

(customers per time unit). Since these factors are in a multiplicative form, they also proposed a logarithmic decomposition of business growth into a sum of partial factors in order to examine the contribution of the individual factors to the total sales growth. They also illustrated the use of the model in a case study of a company operating in the field of electricity sales in the Czech Republic. The model is straightforward and suitable for management of small and medium sized companies and can be used in the education of entrepreneurs as well. From the four key areas identified, capital intensity (assets-per-customers) and frequency of visits (customers per time unit) are related to this study. Capital intensity explains the ATMs availability while frequency of visits explains customers' patronage which they identified as part of the key factors that affect growth sale. This further corroborates the findings of this study.

Zhou and Gerrit de Wit (2009) in a study titled "Determinants and dimensions of firm growth". The study summarized and classified many determinants of firm growth into three dimensions; individual, organisational, and environmental determinants. Their finding shows that environmental determinants do not affect firm growth. Individual ones do: entrepreneurs with growth motivation and having technical knowledge are more likely to grow their firms while entrepreneurs characterized by a strong need of achievement are less likely to engage in firm growth. Organisational determinants have the most influence on firm growth: the older the firm, the less likely it is to grow. Availability of financial capital was found to be crucial to firm growth. Finally, the firm's scalability (its preparedness to grow) was found to have a positive impact on firm growth. This also supports the findings as firms' preparedness to grow will make it improve its service capacity provided there is availability of financial capital to improve the service capacity which in turn will increase its profitability.

5.0 Conclusion and Policy Recommendation

The finding of this study was in consonance with the theory which affirms the claim that an organization or firm who repeatedly applies their knowledge and skills of system performance and transforms it in ways that contributes to the achieving the firm's goals will develop a service capacity which will enhance their market growth, hence, the study concluded that for financial sector to grow their market, they must improve on their service capacity from time to time to the satisfaction of their existing and intending customers. The study, therefore recommends that organizations should embark on a robust service capacity that will take care of the needs of their existing customers as well as intending customers.

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