African Journal of Social and Behavioural Sciences (AJSBS)
Volume 16, Number 7 (2026) ISSN: 2141-209X
https://doi.org/10.68442/ajsbs/2026/v16i7.138

EFFECT OF CORPORATE INNOVATION ON ORGANISATIONAL PERFORMANCE OF DEPOSIT MONEY BANKS IN DELTA STATE, NIGERIA

Peter Akpomiemie

Department of Business Administration, Faculty of Management Sciences, Delta State University, Abraka, Delta State, Nigeria

petermighty@gmail.com

ABSTRACT: The study examined the effect of corporate innovation on the organisational performance of deposit money banks in Delta State, Nigeria. The study adopted a cross-sectional survey research design. The sample size of 261 was determined using the Taro Yamane formula. A structured questionnaire was used for data collection, and the reliability of the instrument was assessed using Cronbach's alpha, with coefficients ranging from 0.756 to 0.764, indicating satisfactory internal consistency. Data were analysed using the Statistical Package for the Social Sciences (SPSS) version 25.0, using descriptive and inferential statistics. A total of 261 questionnaires were administered, out of which 247 were retrieved and found completely filled, representing a 94.6% response rate. Findings revealed that strategic foresight had a significant and positive effect on organisational performance ($\beta = 0.435$, $p < 0.05$), service innovation had a significant and positive effect on organisational performance ($\beta = 0.226$, $p < 0.05$), and business model innovation had a significant and positive effect on organisational performance ($\beta = 0.129$, $p < 0.05$). The coefficient of determination ($R^2 = 0.371$) indicated that strategic foresight, service innovation and business model innovation jointly explained 37.1% of the variation in organisational performance. The study concluded that corporate innovation significantly influenced the organisational performance of deposit money banks in Delta State, with strategic foresight having the strongest predictive effect. The study recommended that bank management should re-engineer business models by improving value creation and delivery processes and leveraging emerging financial technologies to enhance efficiency and organisational performance.

Keywords: Corporate Innovation, Strategic Foresight, Service Innovation, Business Model Innovation, Organisational Performance

INTRODUCTION

Innovative capacity has become an important determinant of organisational success and survival in the contemporary banking industry. The sector is characterised by intense competition, rapid technological change and evolving consumer expectations, which have increased the need for banks to continuously improve service delivery and adapt to changing market conditions. Corporate innovation therefore represents a key organisational competence for creating long-term value. High-performing organisations are better positioned to invest in technology and improve service delivery, while creative problem-solving can facilitate improvements in internal processes, access

https://doi.org/10.68442/ajsbs/2026/v16i7.138

to new skills and overall performance. It also enables businesses to adjust to changing conditions and remain competitive (Ufomadu & Nwaorgu, 2025). Similarly, the continuous introduction of new ideas can improve customer value, operational efficiency and support long-term organisational success.

Innovation has long been recognised as an important contributor to organisational success because of its strategic value. Organisations employ innovative approaches to adapt to evolving market conditions, develop customer-oriented products and services, and improve operational procedures (Etim et al., 2022). However, innovation initiatives do not automatically translate into improved business outcomes. Their effectiveness depends on strategic planning, effective implementation and continuous adaptation to changing environmental conditions. Organisations must also balance immediate operational efficiency with strategic investments that strengthen their capabilities and competitiveness over time. Research and development (R&D), for example, may be strategically important but can be constrained by substantial initial investment requirements and uncertain returns (Alshamayleh, 2025). Nevertheless, sustained commitment to innovation activities such as R&D can facilitate the development of organisational capabilities and competitive advantage.

Within the banking sector, corporate innovation encompasses deliberate efforts to improve efficiency, broaden service offerings, respond to regulatory developments and enhance organisational performance (Sadraoui, 2025). Banks operate within an environment characterised by regulatory pressures, increasing competition, technological disruption and operational challenges, which can affect customer satisfaction, operational efficiency, costs and competitive positioning. Corporate innovation can provide mechanisms for addressing these challenges through new business models, technology investments and improved service systems. Such investments involve the strategic deployment of organisational resources to develop capabilities and create opportunities for long-term competitive advantage (Kim & Lee, 2023). Through innovative technologies, organisational learning and improved service delivery models, banks can strengthen customer interactions, decision-making and operational efficiency. Liao et al. (2023) similarly described innovation as the adoption of new ideas, experimentation and technological advancement to improve products, processes and organisational capabilities.

The broader competitive environment has also made innovation increasingly relevant to organisational strategy. Globalisation and rapid technological development have intensified competitive pressures, making the integration of innovation into organisational strategy important for sustained relevance and competitiveness. Corporate innovation encompasses several practices, including strategic foresight, service innovation and business model innovation. Strategic foresight enables organisations to anticipate environmental changes and identify emerging opportunities; service innovation facilitates customer satisfaction and operational efficiency through improved products and processes; while business model innovation involves redefining mechanisms of value creation, delivery and revenue generation. The combination of these practices can contribute to organisational effectiveness, market competitiveness and performance. Lai and Li (2023) noted that innovation enables organisations to differentiate themselves through unique products and services, while financial innovation has been associated with improved organisational profitability and operational efficiency (Arner et al., 2022).

https://doi.org/10.68442/ajsbs/2026/v16i7.138

In Nigeria, the growing competitive pressures within the banking sector provide a relevant context for examining these dimensions of corporate innovation. Although existing literature has examined various forms of technological, financial and digital banking innovation, there is limited empirical evidence on the combined effect of strategic foresight, service innovation and business model innovation on the performance of deposit money banks in Delta State. The present study therefore examines the effect of these three dimensions on organisational performance. The findings are expected to provide evidence that can assist policymakers, bank managers and other industry stakeholders in understanding how specific innovation capabilities relate to organisational performance and sustained competitiveness.

Statement of the Problem

The Nigerian banking industry operates in an increasingly complex environment shaped by rapid technological advancement, changing customer expectations, regulatory developments and the growing presence of FinTech companies. These conditions have intensified the need for deposit money banks to improve their products, services, processes and business models in ways that enhance efficiency, competitiveness and organisational performance. Despite substantial investments in innovation, some banks continue to experience challenges relating to customer retention, operational efficiency, competitive pressure and inconsistent financial and non-financial performance.

Corporate innovation offers different mechanisms through which these challenges may be addressed. Strategic foresight enables organisations to anticipate emerging market developments and formulate appropriate responses; service innovation supports the development and improvement of customer-oriented services; while business model innovation allows organisations to reconsider how they create, deliver and capture value. Although these dimensions have attracted increasing scholarly attention, their combined contribution to organisational performance within the Nigerian banking sector remains insufficiently established.

The reviewed empirical studies further reveal specific gaps. Ezekiel et al. (2025), for instance, examined product, process, marketing and organisational innovation among small-scale enterprises in Oyo State rather than deposit money banks. Xu et al. (2024) focused on digital transformation, big data capabilities, organisational agility and innovation performance among manufacturing organisations in China, while Omidvar et al. (2025) examined business model innovation, corporate social responsibility and firm performance among Iranian SMEs. Similarly, Santa et al. (2025) investigated strategic innovation, process innovation, leadership and operational quality in Colombia. Although these studies provide evidence on particular forms of innovation and organisational outcomes, they do not adequately explain the joint relationship between strategic foresight, service innovation, business model innovation and organisational performance among deposit money banks in Delta State, Nigeria.

Consequently, a contextual, sectoral, variable and methodological gap exists in the literature. Findings from SMEs, manufacturing organisations and other national contexts cannot automatically be generalised to deposit money banks operating in Delta State because of differences in

https://doi.org/10.68442/ajsbs/2026/v16i7.138

institutional, regulatory, competitive and market conditions. The limited empirical evidence on these dimensions of corporate innovation therefore necessitates an examination of their effect on organisational performance within the Delta State banking context. This study addresses this gap by providing empirical evidence on the extent to which strategic foresight, service innovation and business model innovation affect organisational performance among deposit money banks in Delta State, Nigeria.

Objectives of the Study

The aim of the study is to examine the effect of corporate innovation on organisational performance of deposit money banks in Delta State. The specific objectives are to:

i. Explore the effect of strategic foresight on the organisational performance of deposit money banks in Delta State.
ii. Determine the effect of service innovation on organisational performance of deposit money banks in Delta State.
iii. Ascertain the effect of business model innovation on organisational performance of deposit money banks in Delta State.

Statement of Hypotheses

H_{01}: Strategic foresight has no significant effect on organisational performance of deposit money banks in Delta State.

H_{02}: Service innovation has no significant effect on organisational performance of deposit money banks in Delta State.

H_{03}: Business model innovation has no significant effect on organisational performance of deposit money banks in Delta State.

LITERATURE REVIEW

Corporate Innovation

A company must innovate to be more efficient, competitive and financially successful. Innovation is the implementation and use of new or substantially improved strategies, processes, technology, services or business models. Innovation is a term that is used to describe the new ideas and approaches that are utilised by businesses and individuals to enhance their products, services, management, and operations (Adegoriola, 2021). Innovation is when a company introduces new or better items or services, processes, marketing strategies, or organisational methods (Li et al., 2021). Innovation matters because it calls for modern technology, a creative culture and the trial of new business strategies. Whether it is a completely new product line or just a tweak to make production more efficient (Yadav et al., 2022).

https://doi.org/10.68442/ajsbs/2026/v16i7.138

Businesses need to cultivate a culture where new ideas can flourish in an effort to improve environmental performance. That will result in measurable changes in the way companies do business. Corporate innovation tools enable companies to implement new strategies, products, ideas or processes that make them more competitive. This approach stimulates creative rethinking and reframing of business performance to facilitate better and more efficient achievement of organisational goals. Innovation can lead to a rise in demand in most industrialised economies because it provides different firms with innovative products for development (Yadav et al., 2023). Innovation is what most people think of when they think of a thriving economy. Management and economics experts say that innovation is the key to a business remaining ahead of the competition (Carnes et al., 2022). The multi-faceted concept of innovation includes service innovation, technology innovation, business model innovation and so on (Cheng & Sheu, 2024; Mabenge et al., 2022). Figure 1 is an illustration of how the dimensions of corporate innovation affect organisational performance.

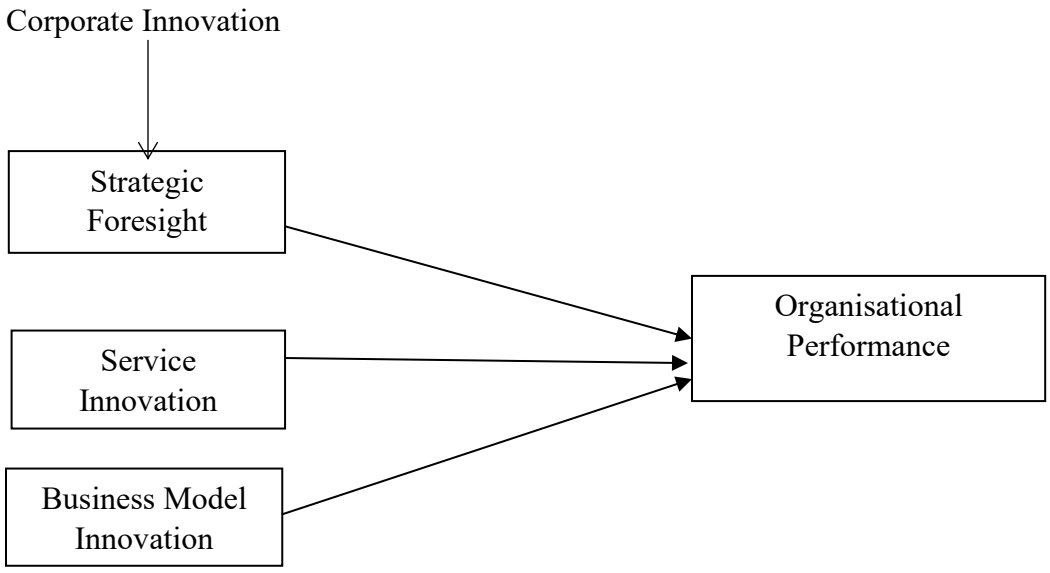


Figure 1: Variables of Corporate Innovation

Source: Researcher's conceptual framework

Strategic Foresight (SF)

Firms now require strategic foresight, the ability to anticipate, plan for and adapt to upcoming changes in a complex and ever-changing environment. As Niguse et al. (2025) stated, strategic foresight is the ability to foresee and prepare for future changes and trends. Strategic foresight is the ability to anticipate and plan for future events. Environmental scanning focuses on the company's ability to gather market intelligence; scenario planning focuses on the company's ability to deal with various future scenarios; adaptability measures the company's ability to respond to change; and innovation capacity measures the company's ability to implement new ideas based on

https://doi.org/10.68442/ajsbs/2026/v16i7.138

foresight (Kim & Seo, 2023). The capacity to forecast and get ready for upcoming opportunities and challenges is critical for sustaining a competitive edge (Najem et al., 2024). Awais et al. (2023) stated that strategic foresight has three dimensions, i.e., flexibility in planning, resources, and coordination, and forward thinking. These foresight capabilities are the fundamental abilities that businesses should have if they want to improve their innovation outcome by developing products that meet the needs of future markets or technology trends. More detailed research has been done recently on the importance of foresight in developing new products. For example, Li et al. (2020) investigated the performance of Chinese pharmaceutical companies in new product development using collaborative strategic foresight. They did this by combining their future-oriented strategies with their ongoing efforts to produce products. Their research revealed that firms with strong foresight capabilities are more likely to identify new market opportunities and direct their resources to develop products to meet those needs. Foresight-driven new product development allows companies to stay ahead of the competition and innovate before others (Dabic et al., 2023; Ghobakhloo et al., 2022). This approach helps companies to better predict consumer demands, new technology developments and market disruptions. To take advantage of new technology, changes in the market and changing consumer demands, businesses need to be able to see what's coming down the pike (Mubarak et al., 2025). Open innovation through a strategic foresight lens can greatly enhance a firm's ability to engage with external experts, leading to more diverse and resilient innovation outcomes.

Service Innovation (SI)

Innovation in banking services means the implementation of new or improved service processes, delivery methods or services aiming at higher operational efficiency and customer satisfaction. Service innovation is a broad concept that entails the improvement of service offerings, new customer experiences, new service delivery structures, new business structures or marketing propositions and/or improvements in output and performance through human resource actions (Kankam-Kwarteng et al., 2021). There are many major differences between manufacturing innovation and service innovation. The most important of these is the characteristics of services themselves, namely transience, diversity, intangibility, greater client interaction, and the fact that the service is created and consumed simultaneously. During service innovation, there is a lot of communication between the service provider and the customers.

Service innovation is important for companies and brands to find excellence in improving the quality of products, customer service, and offers (Handayani, 2022). Innovative value chain strategies create long-term competitive advantages from the core competencies of an organisation. Service innovation gives rise to service development, which creates and maintains value to stakeholders (Indah et al., 2021). The use of manufacturing know-how and technological advances is crucial to a company's strategy of growing and adapting to an ever-changing competitive landscape.

Innovative types of service can help companies to increase clients' loyalty, cover a wide range of needs, and strengthen their market position. Therefore, there is a growing consensus that a focus on service innovation is important for driving company growth. The significance of service innovation

https://doi.org/10.68442/ajsbs/2026/v16i7.138

in acquiring competitive advantages and broadening the company's scope is gaining more recognition (Jadmiko et al., 2025). Service innovation is the act of developing new or improved services, processes or interactions in an effort to increase the value delivered to customers.

Business Model Innovation (BMI)

Business model innovation is a catch-all for radical changes in a company's way of creating, distributing and monetising value. The business model of firms is not static especially in the global context of technological advancements and rapid changes in consumer demand in the contemporary world (Wu, 2021). If you want to re-engineer your business model, you must innovate your business model. This means that new value propositions, value creation systems and value acquisition methods have to be developed (Schneider & Spieth, 2013). This type of innovation is often seen in startups in the early stages of transforming their firm to meet market demands or their own long-term goals. This transition includes changes to advertising, marketing and other forms of advertising, as well as changes to cost structures and retention. Innovation in business models is not the same as innovation in products and services. Omidvar et al. (2025) argue that it is composed of all the innovative activities performed by the organisations that affect the interdependent resources and activities of each other. The idea behind this innovation strategy is to rethink the entire model to make the company more efficient and flexible. BMI is driven by structures and processes aimed at securing a performance edge and staying ahead of the competition (Anwar, 2018). BMI is critical to helping businesses introduce new ideas to their products and services.

In addition, BMI allows companies to develop unique advantages over competitors that are difficult to imitate. Hu et al. (2020) stated that organisations can sustain a strong and long-term market position by developing unique business models and employing innovative approaches. This will help to build up barriers against imitation. The activity system (Hennart et al., 2021) links the three main elements of a business model, including the value proposition (referring to the products or services offered), value creation (including production, coordination, and partnerships) and value capture (maximising both the direct and indirect benefits derived from the value creation and value proposition). A business model is innovative if and only if all three components are new to product-markets and lead to a certain level of sales success and improved company performance (Merín-Rodriganez et al., 2024).

Organisational Performance

Organisational performance refers to the extent to which an organisation achieves its stated goals and objectives through the effective and efficient utilisation of its available resources, as reflected in its financial results, operational efficiency, productivity, and overall effectiveness. It reflects how well an organisation carries out its activities to produce desired outcomes such as profitability, growth, productivity, customer satisfaction, and market competitiveness (Raponi *et al.,* 2023). Organisational performance is often used as a key indicator to determine whether an organisation is successful or not. One way to assess employee performance can be via the use of key performance indicators (KPI). The KPI includes, but is not limited to, sales revenue, customer satisfaction,

https://doi.org/10.68442/ajsbs/2026/v16i7.138

quality of work, attendance and punctuality, efficiency and productivity, time management, teamwork and collaboration.

Theoretical Review

Dynamic Capabilities Theory

Dynamic Capability (DC) Theory was originally developed by Teece and Pisano (1994), and further developed by Teece (1997). The essence of dynamic capability theory (Teece, 1997) is the capacity of a firm to deliberately alter, augment and rearrange its resources to remain competitive in volatile markets. Dynamic capabilities represent a higher-order capability that governs the modification and adjustment of lower-order operational capabilities. In the RBV, Teece's (1997) Dynamic Capabilities Framework emphasises the importance of a company's ability to change and create new ideas. The idea suggests that organisations need the ability to periodically refresh and reconfigure valuable resources. The establishment of dynamic capabilities is crucial for medium and large enterprises in a rapidly evolving market (Obomeghia & Onuoha, 2023). The theory is particularly relevant to strategic innovation, as it stresses the importance of creating opportunities to develop and exploit new inventions within the framework of the circular economy. It shows how businesses with agile capabilities can meet the demands of both consumers and regulators on product development while dealing with the difficulties associated with stable processes (Demessie & Shukla, 2024).

Table 1: Review of Empirical Literature

Author(s)	Focus of Study	Methodology	Key Finding
Karina et al. (2026).	Innovation, sustainability and business value in Indonesia	Panel data regression	Innovation strengthened the effect of sustainability on corporate value
Santa et al. (2025)	Strategic innovation, process innovation, leadership and operational quality in Colombia	SEM; 180 respondents	Strategic innovation improved process innovation but did not significantly affect operational quality
Mubarak et al. (2025)	Strategic foresight, knowledge management, open innovation and product development in Slovakia and Lithuania	SEM; 298 firms	Strategic foresight enhanced open innovation and new product development
Ezekiel et al. (2025)	Product, process, marketing and organisational innovation in Oyo State, Nigeria	Survey; 380 SSEs; multiple regression	Innovation dimensions significantly improved business success

https://doi.org/10.68442/ajsbs/2026/v16i7.138

Niguse et al. (2025)	Strategic alignment, strategic foresight, human capital and competitive advantage in Ethiopia.	SEM; 950 respondents	Strategic alignment and foresight significantly influenced competitive advantage
Omidvar et al. (2025)	Business model innovation, CSR and firm performance in Iran	SEM; 483 SMEs	Business model innovation mediated several CSR-performance relationships
Gautam et al. (2025)	Business model innovation and SME performance	SEM; 396 owners/managers	Business model innovation positively related to SME performance
Jadmiko et al. (2025)	Service innovation, satisfaction, loyalty, WOM and MSME growth	Regression; 300 respondents	Service innovation contributed to MSME growth
Xu et al. (2024)	Digital transformation and innovation performance in China	Survey; 476 manufacturing organisations	Digital transformation improved innovation performance through organisational agility and big data capability
Li et al. (2021)	Corporate strategy, risk-taking and innovation performance in China	Panel data; manufacturing firms, 2008–2018	Corporate strategy had an inverted U-shaped relationship with innovation
Kankam-Kwarteng et al. (2021)	Service innovation, service quality and SME marketing performance in Ghana	Questionnaire; 164 SMEs	Service innovation supported marketing performance

The present study filled the identified gaps by examining the effect of corporate innovation on organisational performance of deposit money banks in Delta State, Nigeria, thereby extending existing innovation research to the Nigerian banking sector. Unlike previous studies that concentrated largely on manufacturing firms, SMEs, MSMEs and technology-based organisations, the study focused specifically on deposit money banks and organisational performance. It also addressed the geographical gap by providing evidence from Delta State and the contextual gap by examining corporate innovation within the Nigerian banking environment. Thus, the study provides sector-specific empirical evidence on how corporate innovation contributes to organisational performance where previous studies had provided limited evidence.

METHODS

This research employed a cross-sectional survey research design. The goal of this approach was not to follow the evolution of the phenomenon over time as would be done in a longitudinal study (Creswell, 2014), but to capture the phenomenon as it is now. The design is appropriate for studying

https://doi.org/10.68442/ajsbs/2026/v16i7.138

relationships among variables, because it allows for the collection of numerical data from a defined population at a given point in time.

Table 2: Distribution of Population and Sample across the Selected Banks

S/N	Deposit Money Bank	No. of Selected Branches	Population of Employees	Proportion (%)	Sample Items
1	Access Bank	3	80	10.67	28
2	First Bank	3	85	11.33	30
3	United Bank for Africa (UBA)	3	80	10.67	28
4	Zenith Bank	3	75	10.00	26
5	Guaranty Trust Bank (GTBank)	3	75	10.00	26
6	Fidelity Bank	3	70	9.33	24
7	First City Monument Bank (FCMB)	3	70	9.33	24
8	Union Bank	3	65	8.67	23
9	Sterling Bank	3	70	9.33	24
10	Ecobank	3	80	10.67	28
Total	**10 Banks**	**30 Branches**	**750**	**100.00**	**261**

Source: Human Resource Departments (2026).

The study population comprised 750 employees of ten selected deposit money banks operating in Delta State, Nigeria. The selected banks were Access Bank, First Bank, United Bank for Africa (UBA), Zenith Bank, Guaranty Trust Bank (GTBank), Fidelity Bank, First City Monument Bank (FCMB), Union Bank, Sterling Bank, and Ecobank. The banks were selected from major commercial locations in Asaba, Warri, Ughelli, Sapele, Agbor and Abraka, covering major banking centres across the state. The study covered 30 selected branches, with three branches allocated to each of the ten participating banks. The population of 750 employees was based on the number of eligible employees working in the selected branches during the study period. Using Yamane's formula at a 5% level of precision, a sample size of 261 employees was obtained. The sample was proportionately allocated across the ten banks based on the size of their respective employee populations, as presented in Table 2.

The study adopted stratified sampling technique. It helped to group the respondents into manageable groups such as gender, age, marital status, and academic profile. Stratified sampling was adopted to ensure that different strata of the study population were adequately represented, thereby improving the representativeness and reliability of the findings.

https://doi.org/10.68442/ajsbs/2026/v16i7.138

Primary data were collected using a structured questionnaire comprising four items each for strategic foresight, service innovation, business model innovation and organisational performance. The items were measured on a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. Strategic foresight measured the bank's ability to anticipate future trends, opportunities, threats and environmental changes, drawing on Mubarak et al.'s (2025) study. Service innovation assessed the introduction and improvement of customer-oriented banking services, informed by Jadmiko et al.'s (2025) research. Business model innovation measured changes in how organisations create, deliver and capture value, with reference to Omidvar et al. (2025). Organisational performance assessed operational efficiency, service effectiveness, customer satisfaction and overall performance. The measurement items were adapted from these validated studies and modified to suit the banking context.

The questionnaire was chosen because it can cover a lot of ground and collect a lot of data quickly (Saunders et al., 2019). In addition, a structured questionnaire was used to reduce the possibility of bias for both the researcher and the respondents (Kim et al., 2016). Face validity and content validity were carefully considered to ensure that the research instrument was an accurate measure for the targeted variables. A panel of specialists including bank managers and professionals was set to review the questionnaire and establish its content validity. The reliability of the research instrument was assessed using Cronbach's alpha to determine the internal consistency of the questionnaire items. A coefficient of 0.70 or higher was considered acceptable for establishing internal consistency. The Cronbach's alpha coefficients obtained for the study variables ranged from 0.756 to 0.764, indicating that all the variables achieved satisfactory internal consistency (Cronbach & Shavelson, 2004), as presented in Table 3.

Table 3: Reliability Test

S/N	**Variables**	**Alpha (α) value**
1	Strategic Foresight	0.761
2	Service Innovation	0.756
3	Business Model Innovation	0.763
4	Organisational Performance	0.764

Source: Field Survey (2026).

Descriptive statistics such as percentages and frequencies were used to describe the demographic characteristics of the respondents. Inferential statistics, i.e. multiple regression analysis, was used to test the effects of strategic foresight, service innovation and business model innovation on organisational performance. The data collected for the study were coded and analysed by the research team using SPSS version 25. The functional form of the model is specified as:

$$OP = \beta_0 + \beta_1 SF + \beta_2 SI + \beta_3 BMI + \varepsilon$$

Where:
OP = Organisational Performance

SF = Strategic Foresight

SI = Service Innovation

BMI = Business Model Innovation

β_0 = Constant term

β_1–β_3 = Regression coefficients

ε = Error term

Ethical approval was obtained from the relevant institutional authority before commencement of the study, and permission was obtained from the management of the selected deposit money banks. Respondents were informed about the purpose of the study, assured that participation was voluntary, and provided informed consent before completing the questionnaire. The questionnaires were administered and retrieved by the researcher with the assistance of trained research assistants who were briefed on the study objectives, ethical requirements and procedures for questionnaire administration. Respondents were assured of the confidentiality and anonymity of the information provided, and the data were used strictly for academic purposes.

RESULTS OF DATA ANALYSIS

Table 4: Response Rate

Questionnaire Status	Frequency	Percentage (%)
Questionnaire administered	261	100.0
Questionnaire returned and completely filled	247	94.6
Questionnaire incompletely filled	14	5.4

Source: Field Survey (2026).

A total of 261 questionnaires were administered to the respondents, out of which 247 were retrieved and found to be completely filled, representing a 94.6% response rate. The remaining 14 questionnaires (5.4%) were returned with incomplete responses and were excluded from the analysis. The response rate of 94.6% is very high and adequate for statistical analysis, showing a high participation rate of respondents and increasing the robustness and generalisability of the study findings.

https://doi.org/10.68442/ajsbs/2026/v16i7.138

Table 5: Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	138	55.9
	Female	109	44.1
	Total	247	100.0
Age (Years)	21–30	49	19.8
	31–40	97	39.3
	41–50	66	26.7
	Above 50	35	14.2
	Total	247	100.0
Educational Qualification	OND/NCE	35	14.2
	HND/B.Sc.	126	51.0
	M.Sc./MBA	67	27.1
	Ph.D./Professional Qualification	19	7.7
	Total	247	100.0
Years of Work Experience	Less than 5 years	44	17.8
	5–10 years	89	36.0
	11–15 years	70	28.3
	Above 15 years	44	17.8
	Total	247	100.0
Job Position	Customer Service/Operations Staff	91	36.8
	Marketing/Relationship Officer	64	25.9
	Supervisory Staff	51	20.6
	Management Staff	41	16.6
	Total	247	100.0

Source: Field Survey (2026).

Table 5 presents the demographic characteristics of the 247 respondents who participated in the study. The distribution shows that 138 respondents (55.9%) were male, while 109 (44.1%) were female, indicating a slightly higher representation of male respondents in the sample.

Regarding age, 97 respondents (39.3%) were between 31 and 40 years, representing the largest age category, followed by 66 respondents (26.7%) who were between 41 and 50 years. Forty-nine respondents (19.8%) were aged 21–30 years, while 35 (14.2%) were above 50 years. The distribution indicates that the respondents largely comprised individuals within the active working-age categories and were therefore positioned to provide relevant responses concerning corporate innovation and organisational performance.

https://doi.org/10.68442/ajsbs/2026/v16i7.138

Regarding educational qualification, 126 respondents (51.0%) possessed HND/B.Sc. qualifications, 67 (27.1%) had M.Sc./MBA qualifications, 35 (14.2%) had OND/NCE qualifications, while 19 (7.7%) possessed Ph.D./professional qualifications. The distribution indicates that the respondents had varied but generally substantial educational backgrounds, which provided an appropriate basis for understanding and responding to issues relating to corporate innovation and organisational performance in the banking industry.

In terms of work experience, 89 respondents (36.0%) had between 5 and 10 years of experience, representing the largest category. This was followed by 70 respondents (28.3%) with 11–15 years of experience. Forty-four respondents (17.8%) had less than 5 years of experience, while another 44 (17.8%) had more than 15 years of experience. The distribution indicates that a substantial proportion of the respondents had several years of professional experience in the banking industry.

Regarding job position, 91 respondents (36.8%) were Customer Service/Operations Staff, 64 (25.9%) were Marketing/Relationship Officers, 51 (20.6%) were Supervisory Staff, and 41 (16.6%) were Management Staff. The representation of respondents across different organisational positions provided perspectives from operational, marketing, supervisory and management levels, thereby providing a broad basis for examining corporate innovation and organisational performance.

Table 6: Multiple Regression Analysis

Predictors	B	Std. Error	Beta (β)	T	Sig.	Tolerance	VIF	R	R^2	Adjusted R^2	F	Model Sig.
Constant	1.514	1.501	—	1.009	.314	—	—					
Strategic Foresight	.473	.058	.435	8.165	.000	.910	1.099					
Service Innovation	.282	.080	.226	3.529	.000	.629	1.590					
Business Model Innovation	.155	.075	.129	2.073	.039	.667	1.499	.609	.371	.364	47.833	.000

Dependent Variable: organisational performance

Source: Field Survey (2026).

The results in Table 6 showed that strategic foresight has a positive and significant effect on organisational performance (β = 0.435, t = 8.165, p = 0.000). Strategic foresight was the most important predictor of organisational performance and had the highest standardised beta coefficient of the predictor variables. Likewise, service innovation positively and significantly affects organisational performance (β = 0.226, t = 3.529, p = 0.000). In addition, business model innovation positively and significantly affects organisational performance (β = 0.129, t = 2.073, p = 0.039). The statistics for collinearity indicate Tolerance values between 0.629 and 0.910 and Variance Inflation Factor (VIF) values between 1.099 and 1.590. All the tolerance values are greater than

https://doi.org/10.68442/ajsbs/2026/v16i7.138

0.10, and the VIF values are far below the cut-off value of 10, which is a sign of no multicollinearity among the independent variables, and the regression estimates are reliable.

The results indicated that the regression model is statistically significant ($F = 47.833$, $p < 0.05$). This implies that the combined effect of strategic foresight, service innovation and business model innovation significantly predicts the organisational performance of the deposit money banks in Delta State.

The coefficient of determination ($R^2 = 0.371$) indicated that strategic foresight, service innovation and business model innovation jointly explain 37.1% of the variation in organisational performance, while the remaining 62.9% is attributable to other factors not included in the model and random variation. The Adjusted R^2 of 0.364 indicates that, after adjusting for the number of predictors included in the model, the three predictors collectively account for 36.4% of the variation in organisational performance, leaving 63.6% unexplained. The difference between R^2 and Adjusted R^2 is relatively small (0.7%), suggesting that the model's explanatory power is reasonably stable after accounting for the number of predictors. Nevertheless, the 63.6% unexplained variance indicates that other organisational, environmental and industry-specific factors not captured by strategic foresight, service innovation and business model innovation also contribute to organisational performance among deposit money banks in Delta State. Therefore, corporate innovation constitutes an important explanatory factor, but it does not account for all the factors influencing organisational performance.

DISCUSSION OF FINDINGS

The regression results show that strategic foresight has a positive and significant effect on organisational performance ($B = 0.473$, $\beta = 0.435$, $t = 8.165$, $p < 0.05$). Since the p-value of 0.000 is less than the 0.05 significance level, the null hypothesis is rejected. Therefore, strategic foresight has a significant positive effect on organisational performance of deposit money banks in Delta State. This finding is consistent with Mubarak et al. (2025), who found that strategic foresight enhances open innovation and new product development, and Niguse et al. (2025), who reported a significant relationship between strategic foresight and competitive advantage. Fasnacht and Schlosser (2025) similarly observed that integrating foresight into strategic planning can strengthen organisational resilience, identify emerging opportunities and support innovation. The relatively strong effect of strategic foresight in the study may reflect the rapidly changing Nigerian banking environment, where banks must anticipate changes in customer preferences, FinTech competition, cybersecurity risks, regulatory requirements and emerging technologies. In this context, the ability of bank managers to identify potential changes early and prepare appropriate responses can influence operational decisions, service delivery and resource allocation. The stronger coefficient for strategic foresight may also be explained by the fact that foresight can be exercised through managerial planning and branch-level decision-making, whereas major business model changes may require greater regulatory, technological and organisational adjustments. Thus, the finding suggests that anticipating and preparing for environmental changes is particularly relevant to organisational performance among deposit money banks in Delta State.

https://doi.org/10.68442/ajsbs/2026/v16i7.138

The result indicates that service innovation has a positive and significant effect on organisational performance (B = 0.282, β = 0.226, t = 3.529, p < 0.05). Since the p-value of 0.000 is less than 0.05, the null hypothesis is rejected. Therefore, service innovation has a significant positive effect on organisational performance of deposit money banks in Delta State. This finding agrees with Kankam-Kwarteng et al. (2021), who established a relationship between service innovation and service quality, and Chen and Chen (2023), who found that service innovation positively influences customer satisfaction. In the Nigerian banking context, continuous improvement in services through digital banking channels, faster transaction processes, personalised services and more convenient customer interfaces can enhance customers' experience and strengthen the bank's ability to compete. The finding therefore suggests that banks that continuously improve their services in response to changing customer expectations are more likely to achieve better organisational outcomes.

The regression result shows that business model innovation has a positive and significant effect on organisational performance (B = 0.155, β = 0.129, t = 2.073, p = 0.039). Since the p-value of 0.039 is less than 0.05, the null hypothesis is rejected. Therefore, business model innovation has a significant positive effect on organisational performance of deposit money banks in Delta State. This finding is consistent with Gautam et al. (2025), who reported a positive relationship between business model innovation and SME performance. It also corresponds with Geoffrey et al. (2025), who identified innovation and strategic responses as important characteristics of successful businesses. However, the relatively smaller coefficient compared with strategic foresight and service innovation may reflect the nature of the banking sector, where substantial changes to business models can involve regulatory requirements, risk-management considerations, technology infrastructure and significant organisational resources. Consequently, although banks can modify aspects of how they create and deliver value, extensive business model changes may occur more gradually than improvements in services or strategic responses to emerging environmental changes. The result therefore indicates that business model innovation contributes positively to organisational performance, but its observed contribution in the sampled banks was comparatively smaller than those of strategic foresight and service innovation.

Conclusion

The study concluded that corporate innovation is positively and significantly associated with organisational performance among the sampled deposit money banks in Delta State. Specifically, strategic foresight demonstrated the strongest effect on organisational performance, indicating that banks with greater emphasis on anticipating market trends, technological developments and changing customer demands tend to report higher levels of organisational performance. Service innovation also showed a positive and significant association with organisational performance, suggesting that improvements in banking services are related to service effectiveness, customer satisfaction and operational efficiency. Similarly, business model innovation exhibited a positive and significant association with organisational performance, indicating that changes in how banks create, deliver and capture value are related to organisational outcomes. The findings demonstrate that strategic foresight, service innovation and business model innovation are significantly associated with organisational performance.

The study was limited to selected deposit money banks and locations in Delta State, which may constrain the generalisability of the findings to all deposit money banks in Nigeria. The use of self-reported perceptual data for both corporate innovation and organisational performance may have introduced response bias and common method variance. In addition, the cross-sectional design limits the ability to establish temporal or causal relationships among the variables. The study was restricted to the selected banks and locations, and the findings may therefore not fully represent other banks or locations outside the study scope.

Recommendations

i. Deposit money banks should institutionalise strategic foresight practices through strengthening environmental scanning, scenario planning and market intelligence systems to anticipate changes in the business environment and make proactive strategic decisions.
ii. To improve customer satisfaction bank management should continuously invest in service innovation by adopting advanced digital technologies, delivering customer-centric services, and continuously improving banking products and processes.
iii. Banks should innovate their business models by re-engineering their value creation and delivery processes and leverage emerging financial technologies to enhance efficiency.

REFERENCES

Adegoriola, A. E. (2021). Effect of innovation on small and medium enterprises (SMEs) performance in Abuja Municipal Area Council of FCT-Abuja. *Fulafia Journal of Entrepreneurial Development, 1*(1), 53–63.

Alshamayleh, H. (2025). The impact of corporate innovation on long-term performance: Does chief executive officer power matter in an emerging market? *Corporate Board: Role, Duties and Composition, 21*(1), 49–59. https://doi.org/10.22495/cbv21i1art5

Anwar, M. (2018). Business model innovation and SMEs' performance—does competitive advantage mediate? *International Journal of Innovation Management,* 22(7), 1–31. https://doi.org/10.1142/S1363919618500573

Arner, D. W., Barberis, J., & Buckley, R. P. (2022). Fintech and the future of finance. *Asian Journal of Law and Economics, 13*(1), 1–20.

Awais, M., Ali, A., Khattak, M. S., Arfeen, M. I., Chaudhary, M. A. I., & Syed, A. (2023). Strategic flexibility and organizational performance: Mediating role of innovation. *Sage Open, 13*(2), Article 21582440231181432.

Buck, C., Floegel, N-O., Stoter, M.B., Desouza, K.C. & Robb, T. (2025). The performance effects of innovative service transition strategies. *Journal of Innovation and Knowledge 10*, 100687. https://doi.org/10.1016/j.jik.2025.100687

Carnes, C. M., Hitt, M. A., Sirmon, D. G., Chirico, F., & Huh, D. W. (2022). Leveraging resources for innovation: The role of synchronization. Journal *of Product Innovation Management, 39(2)*, 160–176.

Chen, C.-C., & Chen, P.-H. (2023). The effects of service innovation and service quality on customer satisfaction: A case of residential security service. *Modern Economy, 14,* 629–648. https://doi.org/10.4236/me.2023.145035

Cheng, C.C.J. & Sheu, C. (2024). Social media analytics and product innovation: mediating effects of knowledge exploration and exploitation competences. International *Journal of Operations & Production Management, 44*(1), 229–259.

Creswell, J. W. (2014). Research design: Qualitative, quantitative, and mixed methods approach (4th ed.)., *Canadian Center of Science and Education, 12*(5), 1–40.

Cronbach, L. J., & Shavelson, R. J. (2004). My current thoughts on coefficient alpha and successor procedures. *Educational and Psychology Measurement, 64*(3), 391–418. https://doi.org/10.1177/0013164404266386

Dabic, M., Posinkovic, T. O., Vlacic, B., & Goncalves, R. (2023). A configurational approach to new product development performance: The role of open innovation, digital transformation and absorptive capacity. *Technological Forecasting and Social Change, 194*, Article 122720

Demessie, G. T., & Shukla, A. (2024). Drivers and outcomes of sustainable marketing strategy in the African context: The role of competitive advantage and strategic proactivity as mediating and moderating variables. *Cogent Business and Management, 11*(1), 2348442. https://doi.org/10.1080/23311975.2024.2348442

Etim, O. E., Daferighe, E. E., Enang, E. R., & Nyong, M. B. (2022). Cash flow management and financial performance of selected listed companies in Nigeria. *Indo-Asian Journal of Finance and Accounting, 3*(1), 27–46.

Ezekiel, A., Amusat, W. A., Olatunji, O. P., & Olaoye, B. O. (2025). Effect of innovation on the performance of selected manufacturing small scale enterprises in Ibadan Metropolis, Oyo State, Nigeria. *Nigerian Journal of Management Sciences 26*(1), 112–122

Fasnacht, D. & Schlosser, J. (2025). The role of foresight in bridging the gap between trends and customer experiences. *European Journal of Futures Research, 13*:11. https://doi.org/10.1186/s40309-025-00256-6

Gautam, P.K., Gautam, D.K., & Silwal, P.P. (2025). Business model innovation and firm performance of SMEs during the COVID-19 Pandemic: Test of serial mediation model. *SAGE Open,* 1–16. https://doi.org/10.1177/21582440251342148

Geoffrey, S. C., Kyongo, J., & Omagwa, J. (2025). Business model innovation and successful startup: A comparative analysis of modern trends in Kenya. *Journal of Business and Management, 27*(8), 67–73.

Ghobakhloo, M., Iranmanesh, M., Mubarak, M. F., Mubarik, M., Rejeb, A., & Nilashi, M. (2022). Identifying industry 5.0 contributions to sustainable development: A strategy roadmap for delivering sustainability values. *Sustainable Production and Consumption, 33,* 716–737

Handayani, E. a. (2022). The influence of service innovation and customer experience on repurchase intentions. *Hasanuddin Journal of Business, 4*(2), 85–95.

Hennart, J.F., Majocchi, A., & Hagen, B. (2021). What's so special about born globals, their entrepreneurs or their business model? *Journal of International Business Studies, 52,* 1665–1694. https://doi.org/10.1057/s41267-021-00427-0

Hu, B., Zhang, T., & Yan, S. (2020). How corporate social responsibility influences business model innovation: The mediating role of organizational legitimacy. *Sustainability, 12,* 2667

Indah, R., Sarwoko, E., Arief, M., & Nurdiana, I. (2021). Marketing investigation: Customer relationship management and innovation to improve competitive advantage and business performance. *Humanities, 9*(4), 430–438.

Jadmiko, E.P., Wahyuni, I., Muis, A., & Kowey, W.O. (2025). The role of service innovation, customer satisfaction, brand loyalty, and word-of-mouth marketing on business growth of MSMEs. *International Journal of Business, Law and Education, 6*(1), 69–81.

Kankam-Kwarteng, C., Amo, F., Osei, F., & Bediako, D.O. (2021). Service innovation and service quality effects on marketing performance of SMEs. *Innovation. 2*(1), 1–10. https://doi.org/10.11648/j.innov.20210201.12

Karina, R., Jurnali, T., Gandi, & Mardianto. (2026). Does innovation strengthen the impact of sustainability on firm value? *Corporate Governance and Sustainability Review, 10*(1), 8–17. https://doi.org/10.22495/cgsrv10i1p1

Kim, H., Ku, B., Kim, J. Y., Park, Y. J., & Park, Y. B. (2016). Confirmatory and exploratory factor analysis for validating the phlegm pattern questionnaire for healthy subjects. *Evidence-based Complementary and Alternative Medicine,* 1–8. https://doi.org/10.1155/2016/2696019

Kim, J. & Lee, H. (2023). How does corporate innovation affect sustainable business investment? *Sustainability, 15,* 13367. https://doi.org/10.3390/su151813367

Kim, J. S., & Seo, D. (2023). Foresight and strategic decision-making framework from artificial intelligence technology development to utilization activities in small-and-medium-sized enterprises. *foresight, 25*(6), 769–787. https://doi.org/10.1108/FS-06-2022-0069

Lai, M., & Li, Y. (2023). The effects of innovative capabilities and R&D clustering on firm performance: Evidence from Chinese high-tech industries. *Journal of Business Research, 156,* 234–248. https://doi.org/10.1016/j.jbusres.2022.11.001

Li, R., Cui, Y., & Zheng, Y. (2021). The impact of corporate strategy on enterprise innovation based on the mediating effect of corporate risk-taking. *Sustainability, 13,* 1023. https://doi.org/10.3390/su13031023

Li, X., Sarpong, D., & Wang, C. L. (2020). Collaborative strategic foresight and new product development in Chinese pharmaceutical firms. *IEEE Transactions on Engineering Management,* 69(2), 551–563.

Liao, S. H., Fei, W. C., & Chen, C. C. (2023). Knowledge management and business performance: The role of innovation and organizational learning capability. *Journal of Business Research, 150,* 287–298. https://doi.org/10.1016/j.jbusres.2022.12.001

Ling, H., Ding, X., & Tao, C. (2025). Digital innovation, human capital allocation, and labour share: Empirical evidence from listed companies in China. *Journal of Innovation and Knowledge 10*, 100705. https://doi.org/10.1016/j.jik.2025.100705

Mabenge, B. K., Ngorora-Madzimure, G. P. K., & Charles Makanyeza, C. (2022). Dimensions of innovation and their effects on the performance of small and medium enterprises: the moderating role of firm's age and size. Journal *of Small Business and Entrepreneurship, 34*(6), 684–70.

Merín-Rodriganez, J., Dasí, A., & Alegre, J. (2024). Digital transformation and firm performance in innovative SMEs: the mediating role of business model innovation. *Technovation, 134*. https://doi.org/10.1016/j.technovation.2024.103027

Mubarak, M.F., Jucevicius, G., Shabbir, M., Petraite, M., Ghobakhloo, M., & Evans, R. (2025). Strategic foresight, knowledge management, and open innovation: Drivers of new product development success. *Journal of Innovation and Knowledge 10*, 100654. https://doi.org/10.1016/j.jik.2025.100654

Najem, N. R., Salman, M. K., Mohammed, M., & Madhi, Z. J. (2024). Navigating digital transformation strategies for sustaining competitive advantage in the AI Era. *Journal of Ecohumanism, 3*(5), 927–948. https://doi.org/10.62754/joe.v3i5.3947

Niguse, T., Borji, B., & Kant, S. (2025). Effect of strategic alignment and strategic foresight on competitive advantage with mediating role of human capital a case of medium and large

firms in Ethiopia. *Future Business Journal,* 11:161. https://doi.org/10.1186/s43093-025-00574-y

Obomeghia AK, & Onuoha BC (2023). Strategic foresight and competitiveness of SMES in Rivers State, Nigeria. *International Journal of Business Systems and Economics 13*(3):40–54.

Omidvar, M., Confetto, M.G., & Palazzo, M. (2025). Business model innovation: A bridge between corporate social responsibility and successful performance for medium-size enterprises (SMEs) in the digital era. *Systems, 13,* 378. https://doi.org/10.3390/systems13050378

Raponi, H. A., Dao, G. R., & Demeter, J. P. (2023). Influence of contingency recovery plans on performance of processing firms in Brazil. *Journal of Strategic Management, 7*(3), 11–21. https://doi.org/10.53819/81018102t5171

Sadraoui, T. (2025). The dynamics of financial innovation and bank performance: evidence from the Tunisian banking sector using a mixed-methods approach. *Journal of Risk and Financial Management, 18*(6), 333. https://doi.org/10.3390/jrfm18060333

Santa, R., Zarate-Torres, R., Rey-Sarmiento, C.F., & Morante, D. (2025). Strategic innovation and leadership dynamics: Unveiling mediating effects on operational quality in manufacturing organizations. *Administrative Sciences, 15*(3), 98. https://doi.org/10.3390/admsci15030098

Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th ed.). Pearson Education.

Schneider, S., & Spieth, P. (2013). Business model innovation: towards an integrated future research Agenda. *International Journal of Innovation Management, 17*(1), 1–34. https://doi.org/10.1142/S136391961340001X

Tarmidi, D. & Salsabila, A. (2023). The effect of service innovation and e-service quality toward customer satisfaction the my-xl application in Bandung City. *Enrichment: Journal of Management, 13*(1), 532–536.

Teece, D. J. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18(7), 509–533.

Teece, D. J., & Pisano, G. (1994). The dynamic capabilities of firms: An introduction. *Industrial and Corporate Change*, 3(3), 537–556.

Ufomadu, O. A. & Nwaorgu, K. I. (2025). Cash flow activities and financial performance of deposit money banks in Nigeria. *International Journal of Innovative Finance and Economics Research 13*(3), 345–354.

Wu, H.-L. (2021). Innovating your business model for social enterprises: insights from a case study in Taiwan. *Journal of Accounting, Finance, Management and Strategy, 16,* 171–208.

Xu, Y., Li, X., & Wang, Z. (2024). Digital transformation and innovation performance. *Technological Forecasting and Social Change*, 195, 122–140.

Yadav, N., Yadav, U.S., Singh, A.B., & Yadav, G. (2022). Antecedents and consequences of public interest litigations in sustainable environment protection in India. *In IOP Conference Series: Earth and Environmental Science, 1057*(1): 012004.

Yadav, U.S., Tripathi, R., & Tripathi, M.A. (2023). Adverse impact of lockdown during the COVID-19 pandemic on MSME (Especially the Indian handicraft sector): A study on highlighted exit strategies and important determinants. *Vision*, Article Number: 09722629231172570. https://doi.org/10.1177/09722629231172570