

Grievance Redress Mechanisms (GRMS) and Waste Reduction of Deposit Money Banks (DMBS) in Enugu State

Lukas Sunday PhD¹, Nnadi Chikezie Sunday Onoh PhD² & Onyeka-Ude Virginia PhD³

Abstract

This research examined the effectiveness of Grievance Redress Mechanisms (GRMs) and how Deposit Money Banks (DMBs) in Enugu State reduce operational waste. It aimed to assess the impact of customer service hotlines on running costs and the effect of complaint handling on customer satisfaction at DMBs in Enugu State. Four banks in Enugu were selected for the study due to their large workforce and long-standing presence. The study included all 332 employees in the population, as it was relatively small. A survey was conducted, and 261 questionnaires were completed and returned. Data were analyzed using mean scores, and hypotheses were tested using the Z-test in SPSS. The results indicated that customer service hotlines are positively associated with bank operational costs ($Z = 12.442, P < 0.05$). Furthermore, effective complaint handling is positively associated with customer satisfaction ($Z = 12.070, P < 0.05$). The study concluded that both customer service hotlines and complaint management are linked to bank operational costs and customer satisfaction. One recommendation is that Deposit Money Banks should strengthen their customer service hotlines and ensure sufficient staffing to promptly resolve customer issues.

Keywords: Customer service hotlines, Grievance Redress Mechanisms (GRMs), Operational cost, Waste reduction.

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Authors	Affiliation
1	ESUT Business School, Department of Business Administration, Faculty of Management Sciences, Enugu State University of Science and Technology (ESUT) , Enugu State, Nigeria.
2	Department of Business Administration, Faculty of Management Sciences, Enugu State University of Science and Technology (ESUT), Enugu State, Nigeria.
3	Department of Business Administration, Faculty of Management Sciences, Enugu State University of Science and Technology (ESUT), Enugu State, Nigeria.

Introduction

Grievance Redress Mechanisms (GRMs) have evolved from simple problem-solving methods into formal systems for accountability and stakeholder engagement. They began with changes in operational practices and became globally significant in the early 2000s as part of risk management and organizational development (World Bank, 2023). International organizations such as the Alliance for Financial Inclusion (AFI, 2022) and the OECD (2021) note that effective GRMs help protect financial service users, build trust in institutions, and promote transparency in operations.

A Grievance Redress Mechanism (GRM) is a structured system that allows stakeholders such as employees, customers, or community members to raise complaints, ask questions, and receive fair solutions from organizations (World Bank, 2023). GRMs are essential for accountability, stakeholder engagement, and organizational learning, helping institutions identify problems, correct errors, and improve services (Adeleke, 2022; Okafor & Oladipo, 2023). In the financial sector, GRMs protect customers and ensure responsible banking practices, fostering trust (Amah & Ogu, 2023; Olowu, 2023). Additionally, insights gained from GRMs can enhance operational efficiency and reduce waste, contributing to continuous improvement (Eze & Akinyemi, 2022).

The growing focus on sustainability has encouraged organizations to minimize waste, optimize resource use, and care for the environment in service sectors like banking. Although Deposit Money Banks (DMBs) do not significantly pollute, they still consume resources such as paper and energy and often have inefficient processes (Okoye & Nwude, 2022). Recent studies indicate that environmentally responsible banks in Nigeria perform better and gain greater public trust (Amah & Ogu, 2023).

Waste reduction refers to efforts to minimize the use of materials, energy, time, and other resources in organizational operations (Okoye & Nwude, 2022). It involves preventing waste through process improvements, workflow optimization, and behavioral changes, rather than simply discarding or recycling materials (Eze, 2022). Waste reduction includes minimizing material and energy consumption, eliminating redundant work, and avoiding duplication while improving efficiency (Ogunleye, 2022; Amah, 2023). Contemporary approaches include lean management, digitization, and resource reuse to enhance sustainability (Chukwu, 2024). Beyond cost savings, waste reduction improves organizational performance, protects the environment, and enhances reputation particularly in service industries like banking, where it leads to faster service, fewer errors, and greater customer satisfaction (Eze & Akinyemi, 2022; Amah & Ogu, 2023).

In Nigeria, the Central Bank of Nigeria (CBN, 2021) emphasizes that banks should protect customers and handle complaints effectively to maintain transparency and trust. Research also shows that Nigerian banks are increasingly focused on sustainability and environmental responsibility as part of their corporate obligations (Oluwole, 2023).

At the local level, waste reduction is critical for operational efficiency. Evidence suggests that feedback and complaint systems can identify service problems, thereby reducing waste (Ogunleye, 2022). However, few studies directly link GRMs to waste reduction in DMBs. Most research treats GRMs as tools for accountability and customer satisfaction, while waste reduction is often studied as an environmental responsibility measure. Few studies examine how effective complaint handling can decrease waste in materials, processes, or time within banks (Amah & Ogu, 2023). Therefore, this study investigates the relationship between Grievance Redress Mechanisms (GRMs) and waste reduction in Deposit Money Banks (DMBs), exploring whether efficient complaint systems can enhance operations, reduce resource waste, and promote sustainability.

Statement of the Problem

In an ideal banking environment, effective Grievance Redress Mechanisms (GRMs) ensure smooth operations, customer satisfaction, and efficient use of resources. Banks should have systems in place to promptly receive, assess, and resolve complaints from customers, employees, and other stakeholders. Such systems promote transparency, improve operations, and reduce wasted time and effort. According to the World Bank (2020), well-functioning GRMs enhance organizational accountability and service quality by minimizing errors and preventing problems from escalating.

However, many banks in Nigeria fall short of this standard. Despite having complaint desks, hotlines, and online feedback channels, most banks still handle complaints inefficiently, respond slowly, and fail to maintain proper records. Studies by Ogunleye (2022) and Eze and Ogbu (2021) indicate that unresolved or poorly managed complaints often result in extra work, delays, dissatisfied customers, and wasted financial and human resources. This waste manifests in excessive paperwork, repeated mistakes, and time that could otherwise be used to improve operations.

If these issues persist, they could have serious consequences. Waste and unresolved complaints can erode trust, drive customers away, and increase operational costs. Moreover, if banks do not leverage GRMs to reduce waste, they may fall short of Sustainable Development Goal 12 (Responsible Consumption and Production) and Nigeria's targets for a sustainable financial sector (Federal Ministry of Environment, 2021). Ultimately, ineffective complaint handling could undermine banks' competitiveness, profitability, and the overall sustainability of Nigeria's banking sector. Therefore, this study investigates the relationship between Grievance Redress Mechanisms (GRMs) and waste reduction in Deposit Money Banks (DMBs) in Enugu State.

Objective of the study

The main objective of the study was to evaluate Grievance Redress Mechanisms (GRMs) and waste reduction of Deposit Money Banks (DMBs) in Enugu State. The specific objectives are to:

- i. examine customer service hotlines and operational cost of Deposit Money Banks (DMBs)
- ii. Investigate complaints and customers satisfaction of Deposit Money Banks(DMBs)

Research questions

The following research questions guided the study:

- i. What is the relationship between customer service hotlines and operational cost of deposit money banks?
- ii. How does investigating complaint improve customer's satisfaction of deposit money bank?

Statement of hypotheses

The following hypotheses guided the study:

- i. Customer service hotline has no relationship with operational cost of deposit money bank.
- ii. Investigating complaint has no relationship with customer satisfaction of deposit money bank.

Review of Related Literature

Conceptual review

Grievance

A grievance is when someone or a group says they're not happy or files a formal complaint because they feel they've been treated wrongly or unfairly by an organization's actions or services (Adeleke, 2022). Grievances point out possible unfairness or failures in service. If these are noted and looked at, they can give institutions important info to spot ongoing issues, which can lead to fixes and help rebuild trust between involved parties and the organization (Okafor & Oladipo, 2023). Basically, a grievance is both a request for a solution and a chance for an organization to learn and get better.

Redress means fixing a wrong, loss, or unfair situation for a person or group by giving them a remedy or compensation (Olowu, 2023). This means taking action to handle grievances fairly, find solutions, and make things right to bring back justice and trust between those affected and the institution (Adeleke, 2022). In organizations, redress makes sure there's accountability by turning complaints into chances to fix things and improve the system. This also makes the organization more open and builds confidence among those involved (Okafor & Oladipo, 2023).

Mechanism

Mechanism refers to an organized system or process designed to achieve a certain function or result within an organization (Eze, 2022). It's how activities are organized, problems are tackled, or goals are hit in an efficient way (Amah, 2023). In management, a mechanism gives a clear structure for putting policies in place, checking how things are going, and making sure everyone is responsible. This makes the institution better and more sustainable (Okoye & Nwude, 2022).

Grievance Redress Mechanism (GRM)

A Grievance Redress Mechanism (GRM) is a structured way for people or groups to make complaints, ask for info, and get solutions for problems that arise from an organization's actions (World Bank, 2023). It's a formal system for handling complaints in a way that's open, fair, and quick, which builds trust (Adeleke, 2022). Okafor and Oladipo (2023), a GRM not only takes care of issues but also gives useful feedback that helps the organization do better and serve people better.

Customer service hotline

A customer service hotline is a phone line that organizations set up to let customers ask questions, make complaints, or get help with products or services (Ogunleye, 2022). It's a way to talk to customers in real-time, which makes them happier, strengthens trust, and lets the organization respond quickly to what customers need (Amah, 2023). Okafor and Oladipo (2023), good customer service hotlines are a key part of today's grievance systems because they give direct feedback that helps organizations serve better and run more efficiently.

Investigating complaints means carefully looking at grievances from customers to figure out if they're valid, what caused them, and how to solve them (Adeleke, 2022). This involves gathering facts, looking at evidence, and checking the organization's procedures to make sure things are fair and open (Olowu, 2023). Okafor and Oladipo (2023), when complaints are investigated well, it not only solves individual problems but also helps organizations spot issues that keep happening, which pushes greater responsibility and better service overall.

Waste reduction

Waste reduction is the act of cutting down on wasted materials, energy, time, and other resources in what an organization does (Okoye & Nwude, 2022). The main idea is to stop waste from happening in the first place by coming up with better ways of doing things, using resources well, and changing habits, instead of just throwing things away or recycling (Eze, 2022). Ogunleye (2022) says that waste reduction makes operations more efficient, cuts costs, and helps the environment.

Operational cost

Operational cost is the total amount of money an organization spends on running its day-to-day activities. This includes costs for making products, managing things, keeping things running, and serving customers (Amah, 2023). It's the money needed to keep the business going, like salaries, utilities, materials, and shipping (Okoye & Nwude, 2022). Chukwu (2024) says that controlling operational costs is important for an organization to be profitable, competitive, and sustainable, especially in changing business conditions.

Customer satisfaction is how happy customers are with a product or service compared to what they expected. It shows if they're happy and if they'll likely stay loyal or tell others about the provider (Okafor & Oladipo, 2023). It's both a result and a sign that can be measured through feedback, complaints, and surveys. Organizations use these to see how good their service is, guide improvements, and build stronger customer relationships (Amah, 2023). When customers are happy, there are fewer complaints, operations run more smoothly, and the organization gets a better reputation, making it a key goal for service-focused places like banks (Eze, 2022).

The Continuous Improvement Theory (CIT)

The Continuous Improvement Theory (CIT) explains how Grievance Redress Mechanisms (GRMs) and waste reduction relate to each other in Deposit Money Banks (DMBs). The theory, from Deming (1986) and Imai (1989), focuses on ongoing improvement using the Plan Do Check Act (PDCA) cycle. It supposes that regular feedback and learning will boost work and cut waste. GRMs act as feedback plans in banks that bring attention to operational issues like delays, double work, and extra paperwork. Okafor and Oladipo (2023) and Eze (2022), looking at customer complaints allows banks to make their operations better, use materials more effectively, and offer better service. Amah (2023) claims that adding feedback from stakeholders will grow sustainability and cut costs. The theory sees GRMs as more than just a way to handle complaints, but as a way to push constant learning, performance, and waste reduction in DMBs.

With this repeated process, banks can change complaints into chances to learn how to work and be sustainable. Amah (2023) backs this idea, stating that groups that include feedback are able to work better and use fewer materials. Because of this, the Continuous Improvement Theory means GRMs help sustainability by connecting duty, feedback, and cutting waste.

In short, the Continuous Improvement Theory views GRMs as key for learning and performance in Deposit Money Banks. Banks can find where waste is coming from, use resources better, and grow customer trust by gathering and reacting to complaints on a regular basis. GRMs then become something that promotes not only fairness but is also the source of constant progress and lasting banking methods.

Empirical Review

Megbaje et al. (2019) researched the review of good customer service happiness on Nigeria banks' profit: a queuing and regression review in Sokoto metropolis. The study used Queueing and Regression review on info taken using surveys from 100 customers of twelve (12) commercial bank branches in Sokoto to look at the results of customer service happiness on bank profit. The descriptive statistics pointed out that most of those who answered were married men aged 31 – 43, with B. Sc. / HND as their highest school level. The review of customer views of service

level has shown that the majority of those who answered are civil workers who use current accounts for less than five years with the banks, and has been given – loan (overdraft) service. The Queuing and Regression review showed that a number of customer support happiness signs (time in the queue and number of channels) greatly change bank work.

Obafemi (2021) tested the result of banking services on customer happiness in Nigeria banking part. The study looked at the result of banking services on customer happiness. Customer's happiness is very important in the success of the banking part, financial part, business group, making part, companies, businesses, small average businesses and all other parts of business. As far as the banking part is involved, the success of the banking part depends upon business customers need and their hopes towards their banking services. Banking part is a customer-based services provider. The study discussed the following goals: to test how much the level of bank services grow customer happiness and test how much customer service points/things (comfort, business way and system, pricing, product and services, trust, tangibility, support, understanding and response) effect bank customer happiness. Info was taken from different commercial banks in Nigeria and review was through descriptive and parametric math ways. Descriptive review uses percentage review, while in section B-J, likert scale, average and standard difference was used, as well as parametric math method used One sample test and Analysis of difference and it was learned that the level of bank services grow customer happiness. As well, other findings showed; customer happiness is a key work sign in the banking space and customers' happiness has great effect on profit of banks.

Etim & Mbu-Ogar (2023) studied customer service delivery and business performance of deposit money banks. The study focused on looking at the effect of customer service delivery on the business performance of deposit money banks. It hoped to prove the effects of consumer education, complaint handling, customer follow-up and customer self-service on business performance. The study took on cross-sectional survey research design. With a formed survey, the study found first info from 232 management and marketing support employees of selected deposit money banks. The info found was reviewed and read using descriptive statistics, while great regression was adopted for guess testing. The study's results showed that consumer education, complaint handling, customer follow-up and customer self-service had great good effects on the business performance of deposit money banks. These results provide facts and numbers able results with which we made real meanings for players in the banking space.

Okereke & Okezie (2024) tested the customers happiness costs and work of listed deposit money Banks in Nigeria. The study tested the effect of customers' happiness costs on the work of listed deposit money banks in Nigeria. The ex-post facto research design was used. Fourteen (14) listed deposit money banks listed on the Nigeria Exchange Group (NGX) for the time of 2013 to 2022 formed the group of the study, as well as the sample size was made of ten (10) deposit money banks selected on purpose. The info was found from yearly report of the selected listed banks and Nigerian Exchange Group fact book and were reviewed using great regression review (Panel Least Squares Regression using random effects as the favorite model). The study's results showed that customers happiness cost had great effect on work of listed deposit money banks in Nigeria as reviewed by the; Resolved complaint cost, Received complaint cost and the Unresolved complaint raised to CBN cost which greatly effected profit after tax (PAT) of listed deposit money banks in Nigeria. Pending complaint cost had no great effect on profit after tax (PAT) of listed deposit money banks in Nigeria.

Worimegbe et al. (2019) studied performance, customers' happiness and deposit money banks' work in Nigeria. The study means to look at the technical performance of Nigerian banks using making way and; to prove the connection that exists between technical performance, customers' happiness and bank work in the face of a tense economy. Data used in meeting the research goals were from both first and second sources. The Data Envelopment Analysis (DEA) and Structural Equation Model (SEM) were used in the review of info. 600 hundred surveys from 18 deposit money banks. The study's results shows that technical performance results in customers' happiness. The findings also show that customers' happiness results in bank work. Being that, performance effects banks' financial work and this shows that banks that follow increased financial work with one way may be in a wrong direction.

Olorunleke (2022) made a study on measure customer's complaint management and customer happiness of banks in Akure, Ondo State. Businesses compete for customers and customer happiness is becoming a key work sign and a key part of business plan. Customer hopes are key force behind customer happiness. Customer Happiness is a sign of customer purchase reasons and brand loyalty. Customer happiness can't be reached without the basic help of the customer contact-employees who provide the service. This study looked at customer's complaint management and customer happiness of banks in Akure, Ondo state. The research design to be used for this study is survey research design. The sample size is 384 customers of the selected banks using Mugenda and Mugenda (2006) rule. The main tool of this study will be a formed survey designed to take in info from the target those who answered. To provide answers to research questions and the noted goals, info gathered on all able points was reviewed using descriptive (frequencies, percentage, average, and standard difference).

Oranusi et al. (2023) tested the result of customer complaints and feedback management on customer maintenance in deposit money banks in South-Eastern Nigeria. The study tested the result of customer complaints and feedback management on customer maintenance in deposit money banks in South Eastern Nigeria. Certain goals were to determine the result of customer complaints management on customer maintenance in deposit money banks in South Eastern Nigeria and also, to make sure of the result of customer feedback management on customer maintenance in deposit money banks in South Survey method was used for the study and the sample size of 384 was determined using Cochran's rule. Cronbach's alpha was used to determine the trust of the tool and the value of 0.773 was got. Survey was used as the tool for the taking of first info and was given to the 384 students who returned 300 that were fully filled out. Review of info was conducted using Pearson's product time connection example with the help of SPSS software version 22. The study showed that customer complaints management has a great good connection with customer maintenance in deposit money banks in South Eastern Nigeria.

Kabue (2023) tested the Complaint Management Processes and Customer Happiness among Clients of Commercial Banks in Kenya. The goal of this study was to prove the connection between Complaint Management Processes and Customer Happiness. An example of Commercial Banks in Kenya was used to reach the goals of the study. First Data was taken by use of formed surveys for customers and interviews for Management. Multistage sampling method was used to select a sample of 385 people who answered where a response rate of 72.6% was gotten. Data was reviewed using descriptive statistics, connection and regression review using SPSS software. The findings show that all the Processes of complaint management reviewed in this study, had a statistically great connection with customer happiness.

Oru & Madumere (2022) studied the Effect of Customer Complaint Management on Marketing Work of Banks. Using the thinking disharmony and sharing theories, this study tested the effect of customer complaint management on the Marketing work of banks in Afikpo. Using marketing work from the views of the customer, 323 bank customers were involved in the study. Surveys were used to bring out answers from the customers after a test of trust and validity on the survey. Data taken was reviewed with SPSS Version 21.0, simple regression review. Results show that the customer complaint based on management points (way in, response, joining) greatly effect marketing work of bank.

The studies done were taken outside Grievance Redress Mechanisms (GRMs) and waste reduction of Deposit Money Banks (DMBs) in Enugu State and didn't focus to my knowledge on the Customer service hotlines and operational cost; testing complaints and customers' happiness of Deposit Money Banks (DMBs) in Enugu State, Nigeria. Most of the studies reviewed their data through Descriptive statistics and able math statistics, Pearson Moment Connection Example, Multiple sampling way, Partial Least Square Structural Equation Modeling (PLS-SEM), Multiple Regression Analysis (MRA) method, Simple linear regression and Pearson connection example (r) as the present study made use of Z test to test the guesses. Because of this, the study meant to fill this research gap by measuring the Grievance Redress Mechanisms (GRMs) and waste reduction of Deposit Money Banks (DMBs) in Enugu State.

Methodology

The study was based on four (4) selected banks within the Enugu metropolis, chosen due to their large number of staff and long years of operation. The total population for the study was three hundred and thirty-two (332) respondents. The entire population was used because of its relatively small size. A survey research design was adopted for the study, and the instrument used for data collection was a questionnaire.

Out of the questionnaires distributed, two hundred and sixty-one (261) copies were properly completed and returned, representing a 79 percent response rate. The validity of the instrument was assessed using content validity, and the result was satisfactory. The reliability of the instrument was tested using the Pearson correlation coefficient (r), which yielded a reliability coefficient of 0.82, indicating a high level of reliability.

Data were presented and analyzed using mean scores, while the Z-test was employed to test the hypotheses with the aid of the Statistical Package for the Social Sciences (SPSS).

Date Presentation and Analysis

Effect of Customer service hotlines and operational cost of Deposit Money Banks (DMBs)

Table 1: Responses on the Effect of Customer service hotlines and operational cost of Deposit Money Banks (DMBs)

	5 SA	4 A	3 N	2 DA	1 SD	ΣFx	- X	SD	Decision
1 Customer service hotlines enhance customer satisfaction and loyalty, leading to increased deposits and long-term profitability for Deposit Money Banks	880 176 67.4	212 53 20.3	69 23 8.8	4 2 .8	7 7 2.7	1172 261 100.0	4.49	.893	Agree
2 Efficiently managed hotlines help DMBs resolve issues quickly, reducing branch congestion and lowering overall operational costs	885 177 67.8	200 50 5.4	42 14 5.4	6 3 1.1	17 17 6.5	1150 261 100.0	4.41	1.097	Agree
3 By integrating technology into hotline operations, banks can provide 24/7 support while optimizing resource use and minimizing staff expenses	925 185 70.9	180 45 17.2	18 6 2.3	16 8 3.1	17 17 6.5	1156 261 100.0	4.43	1.123	Agree
4 Well-structured customer service systems improve communication efficiency, allowing DMBs to streamline operations and allocate funds more effectively	1005 201 77.0	140 35 13.4	21 7 2.7	10 5 1.9	13 13 5.0	1189 261 100.0	4.56	1.009	Agree
5 Investment in quality hotline services strengthens the bank's reputation and operational efficiency, ultimately supporting sustainable cost management	1000 200 76.6	164 41 15.7	30 10 3.8	6 3 1.1	7 7 2.7	1207 261 100.0	4.62	.839	Agree
Total Grand mean and standard deviation							4.502	0.9922	

Source: Field Survey, 2025

In Table 1, 229 respondents out of 261, representing 87.7 percent, agreed that customer service hotlines enhance customer satisfaction and loyalty, leading to increased deposits and long-term profitability for Deposit Money Banks (DMBs), with a mean score of 4.49 and a standard deviation of 0.893. Additionally, 227 respondents, representing 73.2 percent, agreed that efficiently managed hotlines help DMBs resolve issues quickly, reduce branch congestion, and lower overall operational costs, with a mean score of 4.41 and a standard deviation of 1.097. Furthermore, 230 respondents, representing 88.1 percent, agreed that integrating technology into hotline operations enables banks

to provide 24/7 support while optimizing resource use and minimizing staff expenses, with a mean score of 4.43 and a standard deviation of 1.123. Similarly, 236 respondents, representing 90.4 percent, agreed that well-structured customer service systems improve communication efficiency, allowing DMBs to streamline operations and allocate funds more effectively, with a mean score of 4.56 and a standard deviation of 1.009. Finally, 241 respondents, representing 92.3 percent, agreed that investment in quality hotline services strengthens banks' reputations and operational efficiency, ultimately supporting sustainable cost management, with a mean score of 4.62 and a standard deviation of 0.839.

Effect of investigating complaints and customers satisfaction of Deposit Money Banks (DMBs)

Table 2: Responses on the Effect of Investigating complaints and customers satisfaction of Deposit Money Banks (DMBs)

		5 SA	4 A	3 N	2 DA	1 SD	ΣFX	\bar{X}	SD	Decisio n
1	Effective investigation of customer complaints helps DMBs identify service gaps and improve overall customer satisfaction.	975 195 74.7	148 37 14.2	36 13 5.0	10 5 1.9	11 11 4.2	1180 261 100.0	4.53	.986	Agree
2	Prompt and transparent complaint resolution builds trust and strengthens the relationship between customers and the bank.	470 94 36.9	468 117 44.8	96 32 12.3	10 5 1.9	13 13 5.0	1057 261 100.0	4.05	1.005	Agree
3	Regular analysis of customer feedback enables DMBs to enhance service quality and maintain a competitive advantage in the financial sector.	485 97 37.2	460 115 44.1	93 31 11.9	6 3 1.1	15 15 5.7	1059 261 100.0	4.06	1.027	Agree
4	A well-structured complaint management system promotes accountability and continuous improvement within the bank's operations.	470 94 36.0	484 121 46.4	96 32 12.3	10 5 1.9	9 9 3.4	1069 261 100.0	4.10	.929	Agree
5	By addressing customer concerns efficiently, DMBs can boost their public image, foster loyalty, and achieve long-term business growth.	455 91 34.9	440 110 42.1	111 37 14.2	12 6 2.3	17 17 6.5	1035 261 100.0	3.97	1.083	Agree
Total Grand mean and standard deviation							4.142	1.0054		

Source: Field Survey, 2025

In Table 2, 232 respondents out of 261, representing 88.9 percent, agreed that effective investigation of customer complaints helps Deposit Money Banks (DMBs) identify service gaps and improve overall customer satisfaction, with a mean score of 4.53 and a standard deviation of 0.986. Furthermore, 211 respondents, representing 81.7 percent, agreed that prompt and transparent complaint resolution builds trust and strengthens the relationship between customers and the bank, with a mean score of 4.05 and a standard deviation of 1.005. In addition, 212 respondents, representing 81.3 percent, agreed that regular analysis of customer feedback enables DMBs to enhance service quality and maintain a competitive advantage in the financial sector, with a mean score of 4.06 and a standard deviation of 1.027. Similarly, 215 respondents, representing 82.4 percent, agreed that a well-structured complaint management system promotes accountability and continuous improvement within the bank's operations, with a mean score of 4.10 and a standard deviation of 0.929. Finally, 201 respondents, representing 77.0 percent, agreed that by addressing customer concerns efficiently, DMBs can boost their public image, foster loyalty, and achieve long-term business growth, with a mean score of 3.97 and a standard deviation of 1.083.

Test of Hypotheses

Test of Hypotheses one: Customer service hotline has no relationship with operational cost of deposit money bank.

Table 3: One-Sample Kolmogorov-Smirnov Test

		Customer service hotlines enhance managed customer satisfaction and loyalty, leading to increased deposits and long-term profitability for operational Deposit Money Banks				
		Efficiently managed hotlines help DMBs resolve issues quickly, reducing branch congestion and lowering overall costs	By integrating technology into the hotline operations, banks can provide 24/7 support while optimizing resource use and minimizing expenses	Well-structured customer service systems improve communication efficiency, allowing DMBs to streamline operations and staff more effectively	Investment in services strengthens communication efficiency, allowing the bank's reputation and operational efficiency, and ultimately supporting sustainable cost management	hotline quality and bank's reputation and cost management
N		261	261	261	261	261
Uniform Parameters ^{a,b}	Minimum	1	1	1	1	1
	Maximum	5	5	5	5	5
Most Differences	Absolute	.674	.678	.709	.770	.766
	Extreme Positive	.027	.065	.065	.050	.027
	Negative	-.674	-.678	-.709	-.770	-.766
Kolmogorov-Smirnov Z		10.894	10.956	11.451	12.442	12.380
Asymp. Sig. (2-tailed)		.000	.000	.000	.000	.000

a. Test distribution is Uniform.

b. Calculated from data.

Decision Rule

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

Result

With the Kolmogorov-Smirnov Z-value ranging from 10.894 to 12.442 and an Asymptotic Significance value of 0.000, the responses displayed in the table are normally distributed. This result affirms the assertion of most respondents that customer service hotlines have a significant positive relationship with the operational cost of Deposit Money Banks.

Decision

Furthermore, by comparing the calculated Z-value (ranging from 10.894 to 12.442) with the critical Z-value of 0.000 (two-tailed test at the 95 percent level of confidence), the null hypothesis was rejected. Consequently, the alternative hypothesis was accepted, indicating that customer service hotlines have a significant positive relationship with the operational cost of Deposit Money Banks.

Test of Hypotheses Two: Investigating complaint has no relationship with customer satisfaction of deposit money bank.

Table 4: One-Sample Kolmogorov-Smirnov Test

	Effective investigation of transparent customer complaints helps DMBs identify service gaps and strengthens overall customer satisfaction.	Prompt and resolution of customer complaint builds trust and strengthens the relationship between customers and the bank.	Regular analysis of customer feedback enables DMBs to maintain competitive advantage in the financial sector.	A well-structured complaint management system promotes accountability and continuous improvement within the bank's operations.	By addressing customer concerns efficiently, DMBs can boost their public image, foster loyalty, and achieve long-term business growth.
N	261	261	261	261	261
Uniform Parameters ^{a,b}	Minimum 1	1	1	1	1
	Maximum 5	5	5	5	5
	Absolute .747	.558	.562	.574	.520
Most Extreme Differences	Positive .042	.050	.057	.034	.065
	Negative -.747	-.558	-.562	-.574	-.520
Kolmogorov-Smirnov Z	12.070	9.022	9.084	9.269	8.403
Asymp. Sig. (2-tailed)	.000	.000	.000	.000	.000

a. Test distribution is Uniform.

b. Calculated from data.

Decision Rule

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

Result

With the Kolmogorov-Smirnov Z-value ranging from 8.403 to 12.070 and an Asymptotic Significance value of 0.000, the responses presented in the table are normally distributed. This finding affirms the assertion of most respondents that investigating complaints has a significant positive relationship with customer satisfaction in Deposit Money Banks.

Decision

Furthermore, by comparing the calculated Z-value (ranging from 8.403 to 12.070) with the critical Z-value of 0.000 (two-tailed test at the 95 percent level of confidence), the null hypothesis was rejected. Consequently, the alternative hypothesis was accepted, indicating that investigating complaints has a significant positive relationship with customer satisfaction in Deposit Money Banks.

Discussion of Findings

Customer service hotlines have a relationship with operational costs of deposit money banks.

The results of Hypothesis One show a Z-value between 10.894 and 12.442, which is greater than the critical Z-value of 0.000. This suggests a positive relationship between customer service hotlines and the operational costs of deposit money banks. Megbaje et al. (2019) examined the effect of customer service satisfaction on bank profitability in Nigeria using queuing and regression analysis in Sokoto. Their study found that factors such as waiting time and the number of service channels significantly affect bank performance. Etim and Mbu-Ogar (2023) investigated customer service and its relationship with the efficiency of deposit money banks. Their findings revealed that consumer education, complaint handling, customer follow-up, and customer self-service all have a positive impact on bank operational efficiency.

Similarly, Okereke and Okezie (2024) studied customer satisfaction costs and the performance of listed deposit money banks in Nigeria. The study showed that customer satisfaction costs significantly affect bank performance. Specifically, resolved complaint costs, received complaint costs, and unresolved complaints escalated to the Central Bank of Nigeria (CBN) had a significant impact on profit after tax (PAT) of listed deposit money banks in Nigeria. However, pending complaint costs did not have a significant impact on profit after tax (PAT).

Investigating complaints has a relationship with customer satisfaction in deposit money banks.

The results of Hypothesis Two show a Z-value between 8.403 and 12.070, which exceeds the critical Z-value of 0.000. This indicates a positive relationship between complaint investigation and customer satisfaction in deposit money banks. Supporting this finding, Worimegbe et al. (2019) reported that technical efficiency enhances customer satisfaction, which in turn improves bank performance. Similarly, Oranusi et al. (2023) found that effective handling of customer complaints positively influences customer retention among banks in South-Eastern Nigeria.

Conclusion

This study found a positive relationship between customer service hotlines, complaint investigation, operational costs, and customer satisfaction in deposit money banks. Effective complaint management systems are essential for reducing waste in these banks. When customers and employees can easily report issues, banks are better able to identify areas of resource wastage. Timely feedback enables management to address ongoing problems, improve operational processes and reduce losses.

Recommendations

Based on the findings of the study, the following recommendations are proposed:

- i. Deposit money banks should improve their customer service hotlines by ensuring adequate staffing and prompt resolution of customer issues. Efficient customer service hotlines reduce repeat calls and time wastage, thereby lowering operational costs.
- ii. Banks should establish a clear and efficient system for promptly investigating customer complaints to ensure that all concerns receive thorough attention. Timely and fair complaint investigations enhance customer trust, improve service satisfaction, and strengthen the bank's corporate image.

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