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development process flow, which shows the optimal distribution of available resources that would allow achieving the maximum potential (Cvilikas & Jurkonyte-Dumbliauskiene, 2016). Efficiency and economies scale are known as two critical elements governing productivity in the banking sector (Cevik et al. 2016; Roghanian, Amran & Hamed, 2015). The literature on the banking sector efficiency in the emerging European countries is increasingly growing (Diallo 2018; Cevik et al. 2016; Belke, Ulrich., & Ralph, 2016). The efficiency of the banking industry influences the cost of financial intermediation and the overall stability of the financial system, as banks constitute the backbone of financial markets (Belke *et al*., 2016).

Banks Regulation

The goals of banks regulation are to ensure the attainment of confidence and safety in the financial system. Gummi (2015) classified regulation into three categories: preventive (limiting risks incurred); supportive (rendering assistance); and protective (offering protection in the event of failure). In this classification, Eatwell (2011) argued that, for efficient effective financial regulation to be ascertained, the content and domain of the regulator should be the same as the domain of the market that is regulated. They posited that there is the need to perform in a coherent manner, the standard tasks of a financial regulator such as authorisation, provision of information, surveillance, enforcement and policy development. Financial regulation is perhaps the most important determinant of differences in financial structure exhibited by countries at a similar level of growth and development (Chude & Chude, 2014)**.** Consequently, Chude and Chude (2014) categorised financial regulation into six main groups: macroeconomic, allocative, structural, prudential, organisational and protective.

Nigeria's banking sector over the years witnessed series of regulatory frameworks for a safe, stable and efficient financial system. The trends show that financial regulation increases the safety, confidence, stability and efficiency in the system (Gummi, 2015). Institutional regulation is an official rule made by government or some other authority. It is a set of specific rules or agreed behavior either imposed by some government or external agency or self-imposed by explicit agreement within the industry that shave the activities and business operations of the institutions in the industry to achieve a defined objective (Chris, 2003). Building on the previous, Olorushola (2003), define regulation as a body of specific rules of agreed behavior either imposed by some government explicit agreement within the industry that limit the activities and operations of financial institutions. In his study, financial

regulation according to Eatwell (2011), there is no commonly accepted set of theoretical principles defining it, and that a major problem is building coherent theory of regulatory practice is that potential scale of losses associated with extreme event.

Service management strategies and banks efficiency

Several empirical studies have established a link between sservice management strategies and bank efficiency. In their study, Gontur, Hassan and Arin (2017) examined the link between the information technology and bank service efficiency among deposit money banks in Jos Metropolis, North Central Nigeria. The study found out that when deposit money bank is using the latest technologies in their banking operations; this will lead to bank efficiency by sustaining its customers' loyalty in the long run. However, despite this seemingly importance of information technology resources, in a similar context, the research shows lots of challenges, long queues seen in some banking halls, problem of frequent network failure and customers are sometimes frustrated leading to inefficiency in service delivery and subsequent decline in revenue (Ololade & Ogbeide, 2017).

Furthermore, Odia, Eke and Kalu (2017) carried out a similar study on the emerging service delivery practices and efficiency of commercial banks in Port Harcourt. Commercial banks in Nigeria have as a result of the highly competitive nature of the financial services industry become very innovative in service delivery. Against the backdrop of economic recession and dwindling of the disposable income of customers profits have been affected. However, the study found a positive and significant relationship between innovativeness, concessions, monitored employee attitude and efficiency.

Bank Regulation as a Moderator of the Relationship Between Service Management and Banks Efficiency

Literature has confirmed that bank regulation is an important aspect of the firm's efficiency, and also influences transparency, innovativeness, availability of financial safety (Thouraya, Imen, Mouna and Pietro, 2012). Similarly, Süleyman, Mehmet and Hüseyin (2015), in their empirical studies, investigated the effects of regulations on efficiency. Their findings of regulations have a positive impact on bank efficiency. In the same vein, bank regulation and

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support strengthen financial efficiency performance of regional development bank (Yudistira & Ike 2014).

The Nigeria banking sector had witness several regulations, in their study of the implications of regulatory inconsistencies on the banking industry. Chude and Chude (2014) posited that regulatory in consistencies of Central Bank of Nigeria (CBN), Nigeria Deposit Insurance NDIC, Financial regulatory coordinating committee (FRSCC) have not guaranteed effective and efficient banking practices in Nigeria. Also each administrative regime propounds new banking regulation that is abounded by the next regime thereby contributing to bank distress and failure. In a similar study, Akinleye and Dada (2017). The study concluded that various activities of banking sector regulatory authorities impacted the level of fraud control in Nigerian banks, which evidence from the fairly significant relationship which exist between the actions of regulatory authorities in the form of rules and ethical guidelines and the reduction in the perpetration of fraud in the Nigerian banking system.

Also, in the light of theoretical perspectives of financial regulation in Nigeria, According to Gummi (2015), despite some differences in the regulatory institution structural model. The study theoretically establishes a positive relationship between financial regulation and banking sector development in the country. The trends show that financial regulation increases the safety, confidence, stability and efficiency in the system.

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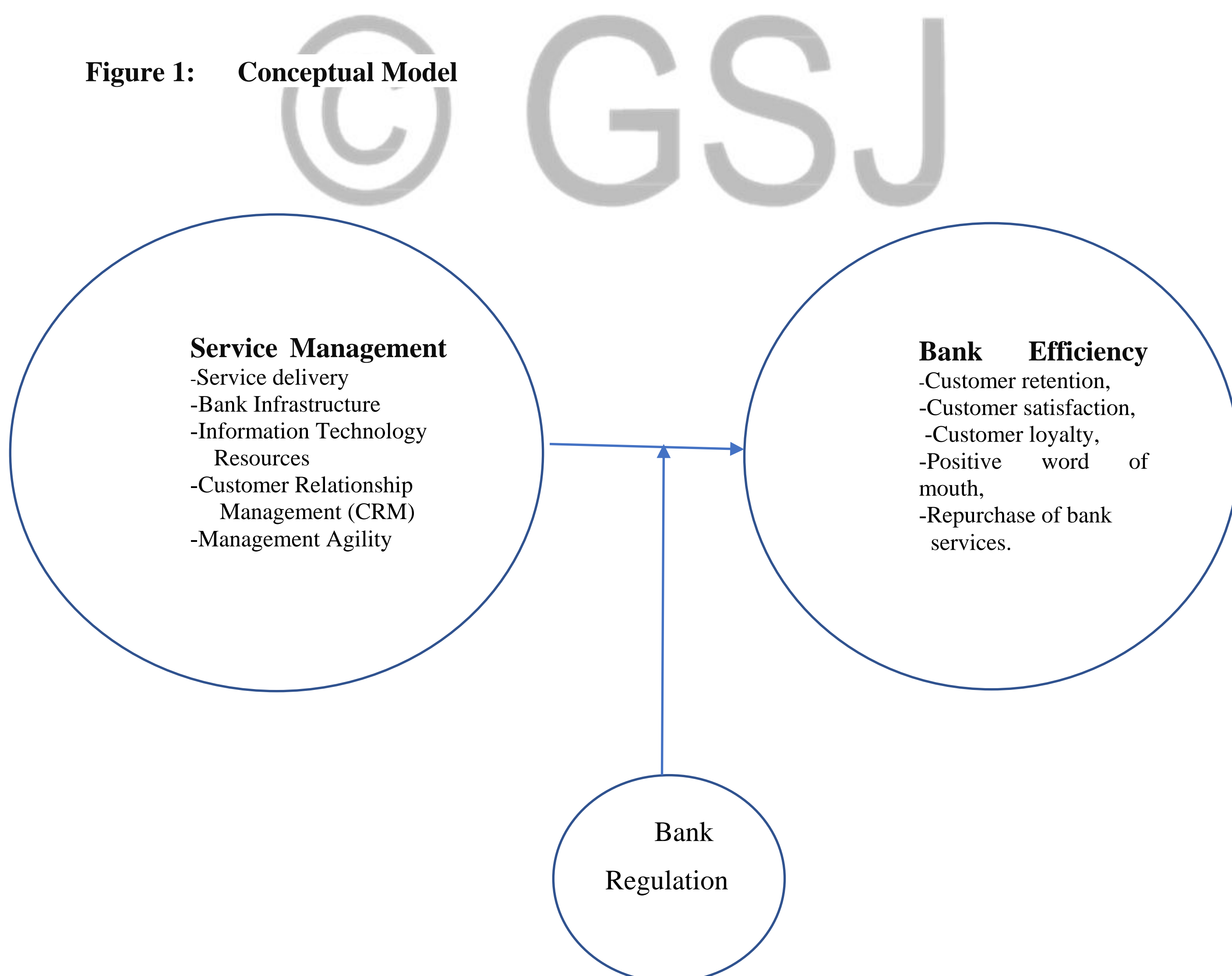
4.0 Linkage Model of Service Management Strategies and Bank Efficiency Through the Moderating Role of Bank Regulation

Various eminent scholars like Kablan (2014), Thouraya, Imen, Mouna, and Pietro (2014), Süleyman, Mehmet and Hüseyin (2015) have examined the relationship of regulations on the performance of banks evidence from the Turkish banking industry and also bank regulation and efficiency, what works for Africa. There are few studies such as Gummi (2015), Chude and chude (2014), Akinleye and Dada (2017), among others have empirically and theoretically examine the effect of financial regulations, fraud control and the Nigeria's Banking Sector, furthermore, also reviewed is the relationship between regulatory inconsistencies and Nigerian Banking Industry. But most of these studies have not examined the link or moderating effect of service management and bank efficiency It suggested therefore, further studies be conducted to investigate the moderating effect of bank regulation on service management and banks efficiency. This serves as theoretical gap in literature that this study intends to bridge.

The conceptual model for this study shows the link between the independent variable and the dependent variable. The dependent variable is bank efficiency conceptualized as consisting of customer retention, customer satisfaction, customer loyalty, positive word of mouth, repurchase of bank services. The independent variables are service management and is also conceptualized as; service delivery, banks infrastructures, information technology resources, customer relationship management and management agility with bank regulation as moderating factor between service management and bank efficiency. This conceptual model is depicted below in figure 1.

Figure 1: Conceptual Model



Source: Researcher's Literature Review (2019)

The researcher's conceptual model indicates how bank regulation moderates the link between service management and bank efficiency. Based on evidence from extensive literature, the arrow indicates that service management enhances bank efficiency This indicates that if organizations adjust bank regulation in line with their service management to suit current trend in the global business environment, such organizations will surely achieve targeted efficiency.

5. 0 Conclusion and Recommendations

Aligning service management strategies with banks regulation may be complex to execute and apply but to achieve organisations efficiency in this current 21st century where there is global competition pressure due to the deregulation of financial services and increasing use of information technology, therefore matching service management and bank regulation is a must. Most of the literature reviewed found the results of empirics were inconclusive. While most studies found positive relationship between service management strategies and bank efficiency, a few others found a negative relationship between the two variables. This study, therefore, concludes that service management and banks regulation enhances efficiency, as efficiency matters for good customer experience and bank stability.

This study recommend that managers should endeavour to embrace service management strategic dimensions in order to achieve greater bank efficiency such as customer retention, customer satisfaction, customer loyalty, positive word of mouth, repurchase of bank services and bank regulation in their business activities, processes, decisions and direction so as to flow with current global business trend and thus achieve overall efficiency. To sustain the efficient banking system, regulation and service management must be adequately enhanced through competition monitoring and moderation as well as continuous review of regulatory frameworks that enhances the quality of banks' services.

One major limitation of this study is that it did not consider empirical investigation how banks

regulation moderates the relationship between service management and bank efficiency in Nigeria. Similarly, further study should empirically examine how other factors that goes beyond the control of managers' influence bank efficiency in Nigeria.

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