INFLUENCE OF ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE AT NIC BANK LIMITED, KENYA

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DECLARATION

I, the undersigned, declare that this management research project is my original

work and that it has not been submitted for any course qualification in this or

any other university or institution for academic credit.

Signature …………………………   Date ………………….

Linda Florence Odhiambo

D61/74829/2014

This research project has been submitted for examination with my approval as

University of Nairobi Supervisor.

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God bless you all.

DEDICATION

I heart fully dedicate this research project first and foremost to the Almighty God for giving me the strength, health and resources to come this far. Secondly I dedicate it to my loving family and friends for their moral support during the period of study.

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ABSTRACT

Despite the reforms in the banking sector, most banks are not performing to their required standards; the poor performance has been attributed to numerous factors, among them being organizational culture. The study objective was to find out the influence of organizational culture on employee performance at NIC bank. The research problem was studied through a descriptive survey research design because it gathers data from a huge population at a given time with the motive of evaluating the kind of situation at hand. The population of study consisted all employees of NIC bank which are 1,164. Purposive and stratified random samplings were used to select respondents. There were 82 respondents for the study. Only primary data collection instruments were used for the research. Questionnaires used to collect data contained both closed and open-ended questions. The questions were formed on the basis of the objective of study. The data collected was inspected for completeness and coded in Statistical Package for Social Sciences (Version 21) for analysis. Descriptive techniques of simple percentages and arithmetic mean were used to do the data analysis. The data analyzed was then presented using tables. Analysis of the findings was done and presented. The findings displayed that most of the individuals who responded were in agreement that espoused beliefs and values, rules and policies, artifacts and management behaviors influence various aspects of their performance in a positive way. The study established that firms engaged in various organizational cultures to boost performance of employees. The findings of the research showed that rules and policies and espoused beliefs and values were the most prevalent culture components. This would therefore imply that employees would diligently attend to their duties and eliminate errors hence better performance. This study concluded that for performance of firms to improve, present organization culture should be compatible with the current strategies and day to day running of the activities of employees. The recommendations made were that banks need to emphasize on the embracing suitable organizational culture. This is because organizational culture positively influences strategies and policies implementation hence creating a sustainable competitive advantage. Additionally, organizations should ensure that they align their strategies with the organization culture if they want to benefit from good organizational customs.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Corporate cultures have had different effects on performance of employees and levels of motivation. Employees many a times work very hard in order to accomplish the goals of the organization if only they regard themselves to being a segment of the corporate culture. Diana Huang (2013) stated that good cultures should be Compatible with the environment. The culture has to be valuable in order to achieve a competitive advantage. This means that it has to give the firm an opportunity to behave in a manner that would culminate to less costs, huge profits and others that achieve the fiscal performance of the company; it needs to be rare thus should have special features that distinguish the organization from the cultures of a huge number of different other organizations of similar racket; it should be sub standardly imitable in the sense that given that if probable imitators can grasp valuable and rare and corporate cultures, it could still not be viable to copy the cultures (Barney, 1986).

Culture at the workplaces is a powerful force in the process of strategy implementation since it has a great influence on the performance of organizations (Peters and Waterman, 1999). Peters and Waterman (1999) stressed the importance of organizational culture saying that without oddity, the dominance and coherence of culture sought to be a necessary quality of the outstanding companies. Organizational culture can affect how employees set personal and professional objectives and execute duties to attain them. It impacts the manner in which individuals subconsciously and consciously think, come to decisions and eventually the way they perceive, feel and act (Brown, 1995).

This study was be based on Durkheim's Theory of Culture as provided by Jonathan Turner (1990) which argues that a bounty of work in a firm's sociology involves the material of what the concept culture seems to contain albeit it hurts. It is via the culture that organizations influence the achievement and tasks of organizational objectives. The second theory is the dynamic capabilities theory as stated by Beyer and Trice (1993) which is the capacity to construct, combine and reconstruct internal and external capabilities to tackle fast changing environments. The theory attempts to link the gaps by embracing the process approach by acting as a barrier between the business changing environment and company resources, varying resources aid an organization to modify its resource mix and thus retain the sustainability of the firm's competitive advantage which could otherwise be quickly eroded in the international market. Organizational culture can be one of the dynamic capabilities that organizations could use to remain competitive in the international market (Sanghi and Robbins, 2007). These cultures in return influence how employees handle themselves while undertaking their tasks and responsibilities.

Management of staff in NIC bank may possibly not force simply the reconstitution of cultural values but also contemplate introduction of various cultural activities which may lead to higher level performance of the company. This research will strive to examine to what expanse organization culture has influence on employee performance within the banking sector with special reference to NIC bank LTD, Kenya.

1.1.1 Organizational Culture

Culture is defined as a comparatively secure set of beliefs, behaviours and values frequently held by a community, being obtained from social anthropology as a structure for grasping primitive communities (Kotter and Heskett, 1992). The major

notion of culture derives from division in the processes of learning that are built on standard resource distribution (Titiev, 1959). Perreault and McCarthy (1993) refer culture as a complete set of beliefs, attitudes and manners of getting things done of a sensibly homologous set of individuals. It is a set of impressions, essential values, behaviours and wants learned by community members from kinsfolk and other institutions that are of importance (Schein, 2011). According to McLean & Zheng (2010), culture refers to the grand total of customs and values, discovered beliefs which fulfil to usher the consumer behaviour of an individual of a certain community. Leaders form cultures of firms and mostly those that have shaped it some time back. According to Mujtaba (2008), it is "normative glue" which binds an organization.

Firms normally have organizational cultures which are the values and beliefs so as to refine a set of activities by management. Luthans (1998), affirm that organizational cultures are the norms and values which direct the character of company employees. Every employee will act in a manner conforming to the existing culture in order to be consented by the environment. Whilst the definition of the organizational culture in accordance to Robbins (2002) is a structure of divided interpretation held by organizational employees, it differentiates it from other companies. Additionally, Hofstede (1994) states that organizational culture is a joint thinking plan of action which differentiates individuals of one company from the others.

Organizational culture is a grand total of important visions, values, perspectives, modes and standards of behaviour that characterize an organization (Boglarsky & Kwantes, 2007). It constitutes the dominant culture that influences the shareholders of the organization as it affects the manner in which things are done in the firm. Dasanayake and Mahakalanda, (2008) contends that organizational culture configures in answer to the necessity for endurance and external revamping as well as internal

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consolidation. For calculating and assessing the implementation of the culture of an organization, there are diverse beliefs and judgments that have been communicated by specialists for instance: Beech & McKenna (2000) assert that organizational culture is categorized into numerous elements namely: Core values held by the organization, the philosopher, that gives way to the determination of the organizational policies in regard to the customers and employees, regulations to relate in a good manner in firms that should be learned so as to be in a position to receive new employees of the company, norms applied in the work, some typical character in a regular communication amongst employees of the firm, ambience or feeling generated within the firm.

As a management tool, organizational culture can achieve success, efficiency, work ethic, high outputs, as shown in various companies in America, Japan and other nations in Europe (Sutrisno, 2007), whereas Crawford & Lok (2004) and Abdulkadir (2005) affirm that, organizational culture can impact how individuals set personal and professional targets and objectives, utilization of resources and performing duties in its accomplishment. This explains that the worth structure embraced by the firm may influence how employees behave and the way work is done. Organizational culture can be said that it encourages employees to attain objectives of the organization as Darmawan (2013) affirmed that, organizational culture has some relation to the accomplishments of a company. With culture in the firm, motivation and character of employees can also be enhanced so as to boost its productivity and in turn upgrade the firm's performance to attain the objectives of the firm (Uha, 2010).

1.1.2 Employee Performance

Employee performance is the outstanding consummation of duties by selected people, as created and measured by the organization, to pre-define agreed on standards while effectively and efficiently making use of the resources available within a adjusting environment. Coulter (2006) explains employee performance as the aggregate or total output of an employee's actions and activities in an organization. She further goes to declare that the level of employee performance could be characterized as low performance levels and moderate performance levels. She agrees that the performance of employees in an organization is normally measured using attributes such as efficiency, effectiveness, quality, creativity, innovation, satisfaction, commitments, flexibility, cohesiveness, communication patterns, customer relations, and employee efforts towards the organizational goals.(Robbins, 2003) concurs that redeployment has both negative and positive effects on employee performance. He states the kind of developments to be realized from redeployments' practice whether negative or positive view development depends on the manner in which redeployment is carried out in an organization.

From Gardner's & Deadrick (1997) positions, employee performance can be described as the documentation of results attained for every job function within a given time period. If seen this way, performance can be depicted as a dispensation of end results attained and could be measured with the use of different parameters that portray an individual's performance pattern over the clock. In service-oriented organizations, members of the organization are the prime source of competition (Luthans and Stajkovic, 1999; Pfeffer, 1994). Additionally, a commitment performance approach perceives employees as resources, and sees the worth of their voice. Employee performance plays an important part for the organizational

performance. It is initially what an individual acts on or doesn't act on. Employee performance can involve: standard of output, amount of output, existance at work, timeliness of production, amenability (Güngör, 2011). Macky and Johnson pointed out that refined employee performance could also boost organizational performance.

Further, Babin and Darden (1994) voiced employee performance as a rating structure utilized in most organizations to determine the productivity and abilities of members of an organization. Great employee performance has been associated with increased purchaser impression of service standard, while inferior performance of employees has been associated with higher brand switching and client complaints. Performance of employees can be simply understood as the corresponding actions expected of an individual and how well the activities are accomplished. Then, many organization employee directors analyze the performance of each staff member on an annual or quota basis so as to assist employees spot suggested areas for advancement.

1.1.3 NIC Bank Ltd, Kenya

National Industrial Credit Bank which is popularly known as NIC Bank is Kenya's commercial bank with the hugest economy in the countries in the East African region. The bank is licensed Kenya's national banking regulator which is the Central Bank of Kenya.

NIC Bank is a big fiscal service provider in the East African region. The bank has a headquarter in Nairobi, Kenya and also has subsidiary companies in the same country as well as Uganda. In the month of May year 2012, it opened a subsidiary of 100%, branch in Uganda. As of December 2013, NIC Bank's asset total base was estimated almost KES: 112.92 billion, with equity shareholder of roughly KES:

17.631 billion. During this period, the bank was listed as position 9, by assets, out of the 43 license banks in Kenya.

1.2 Research Problem

The term Organization Culture has got a broad acceptance in comprehending change management in practices of the human relations. According to Kandula (2006) answer to exemplary execution of duties is a powerful culture. Kandula additionally insists that because of the dissimilarity in organization culture, similar strategies do not give same outputs for dual firms in similar sectors and also in same place. A powerful and positive culture could make an average productivity of an employee and achieve exceptionally whereas a fragile and negative culture can make an outstanding employee to lose interest in their work and thus underperform therefore end up not achieving their set goals. Organizational culture therefore has a straight and lively task in performance management (Ahmed, 2012).

In a study done by the Hong Kong and Australian managers, Crawford and Lok (2004) established a positive effect of organization culture on performance of employees. Zain and others (2009) researched the influence of four elements of organization culture specifically communication, coaction, recognition and compensation, and training and development on employee performance and discovered that all the four elements of organizational culture were important causes of performance. Mahmudah (2012) communicates a notable connection between duty delivery and organization culture. Nevertheless Lahiry (1994) noted a fragile relationship among organization culture with employee performance. Notwithstanding the findings, issues have also been pointed out on whether there are any noticeable links between human resource burnout and organization culture, type of coping

master plans and involvement of employees. Increased globalization, competition, unions and major workforce section have generated a greater requirement for organizational culture.

In order for NIC bank to achieve its vision and mission, it is important that its stated values which include professionalism, innovation, responsiveness, passion and integrity be put into consideration and taken good care of by incorporating them to enhance performance of employees. The major problem is the effect of the set cultural values, norms and beliefs in the general performance of the firm as failure to properly incorporate them has hindered effective employee performance. There is no strong emphasis of the vision, mission and core-values from the management team. According to Ivancevich et al (2005) only when shared values exist, companies work efficiently. Adoption of unfavorable styles and practices in implementing these cultural values has led to depreciation in the performance of the employees. It has led to the low involvement of employees in decision making that directly affect them hence reduce their morale and hinder their overall performance. At some point employees have found it challenging to deliver reports to supervisors within set deadlines after a short notice due to branch managers' sluggishness to respond to queries thus forcing employees to do follow ups by extending working hours and making extra calls. Operational challenges faced in sustaining performance culture in NIC bank are related with remission of some confining policies on selected service deliveries, goods innovation, client oriented banking other than duty oriented, reduction in the profitability, liberal loaning processes or fast trailing of loans and new promotional strategy, losing customers and deposits leading to unsteady liquidity of the banks and increased internal rivalry/competition among the banks. Any of these can affect the bank performance in the banking sector. The chance of prospective and

experienced employees going to another bank is a reason to worry because they need to be substituted at a huge so that the gap can be filled.

Several studies have been done on organizational culture and performance. For example, Sonja and Phillips (2004) in their study pointed out that the executives in the current multicultural international business community always experience cultural differences that could hinder management practices in organizations. Mugendi (2010) evaluated the effect of school culture on performance in Kenya Certificate of Secondary Education (KCSE) in secondary schools in Chogoria Division, Maara and established that schools had varying cultures which affect the performance of students. Omega (2012) studied the perceived link between organizational culture and Job satisfaction of employees in Kenya Commercial Bank. Results show that organizational culture dimensions of emphasis on rewards, organizational supportiveness, innovation orientation and performance orientation had a direct relationship with the job satisfaction of employees at KCB. Although this study was conducted in the banking industry, it only considered culture in the context of KCB employees and not the NIC bank employees. Onyambu (2013) examined organizational culture change at Kenya Power and Lighting Company Limited and found out that organizational culture change process was championed by a team of Change Agents or Ambassadors drawn from formal and informal structures of the organization and supported by top management. None of the studies reviewed above focused on the influence of organizational culture on the performance of employees at NIC bank. Studies done on organizational culture have focused on linking employee performance to organizational culture without looking at influences of culture to performance of employees. This research hence wanted to fill the research gap by answering one research question: What is the influence of organizational culture on

employee performance in the banking industry with reference to NIC bank Ltd, Kenya?

1.3 Objective of study

The objective of the study was to determine the influence of organizational culture on performance of employees at NIC Bank Ltd, Kenya.

1.4 Value of the study

The study will be essential in formulation of policies. The findings of the study would provide vital information to human resource managers and policy makers of the bank to either re-think or consolidate ways of incorporating culture to enhance performance of employees in the bank.

The study would show how NIC bank has been influenced by organizational culture. Through the findings of the study, the managers would learn the influence of culture on employee performance hence take corrective actions. This would build and increase the existing knowledge and theory and update the theory on the changes of international operations in the banking sector in Kenya.

In practice, this study would be of importance to NIC bank since they would know how much they are gaining through expansion by reaching the extra people in other parts of the country. The study would provide vital information to the bank on the influences of organization culture on performances of employees. This study would therefore be important to researchers and future scholars as it would provide empirical literature on organizational culture and employee performance. In addition, this study would suggest areas for further research where future scholars can carry out research on. Therefore this study would inform researches studies.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter describes literature that exists on subject matter of organizational culture with performance of employees. It first presents the theories which the study is anchored before proceeding to analyze the components of organizational culture, factors which influence the performance of employees and the influence of organizational culture and performances of employees.

2.2 Theoretical Foundation of the Study

This part presents the theories on which the study is anchored. It specifically describes the Durkheim's Theory of Culture and the Dynamic Capabilities Theory which explain how organizations can use different cultural aspects to influence their competitiveness in the industry.

2.2.1 Durkheim's Theory of Culture

This theory was developed by Emile Durkheim (1890). It explains culture as the emergent net of representations, holistically comprehending the in-depth set belief, value, and symbolic structures of natural entirety such as tribal communities in which he gave such close observation. The theory argues that a bountifulness of work in a firm's sociology involves the substance of what the culture term seems to consist, even if it seems impossible. It is through culture that an organization influences the tasks and achievement of the objectives of an organization.

The alternative part of human character is social in emergence which Durkheim says is the "collective conscience." It acts as a check on the will, an ethical structure made of moral values, codes, ideas and ideologies. The collective conscience is established

through the socialization procedure in that the person masters the norms, codes, and ethical values of the community. Collective conscience is one that controls the person's wish, limits the drives of the individual and potentially unlimited desires (Durkheim 1893).

Nonetheless, as stated by Durkheim (1997), the collective conscience can never be introduced in the person through rational ways. True internalization of ethical restriction can be only introduced via binding affection and love to the category, which is through social ties. Without these tight primary-group ties the person fails to completely internalize the ethical codes of the community and the urge is left un-attended to. Not having the full assimilation into the values and norms of the grouping, the person's will is left independent to involve in exploitive character to fulfil its desires at the cost of others. There is ever a tension amongst our human appetites with our socially instilled ethical life. In communities that collective conscience is fragile—to mean that there is no success to fully integrate majority of people—exploitive character becomes very usual. In communities where integration is much stronger, our human sensation and desires are continually being denied.

Durkheim (1893) says, "Is at its maximum when the collective conscience completely envelops our whole conscience and coincides in all points with it." Such communities are proportionately homogenous, women and men involve themselves in the same rituals, duties, and day to day activities, all got the same experiences and hence beliefs and attitudes. The few different institutions in such communities embody the same values, norms and reinforce each other. Norms and rules are universal, beyond the pale of question or discussion, and are absolutely followed. The collective conscience is so overpowering that there is less will or opportunity for deviance or individuality.

According to Witten and Wuthnow (1998), although subcultures may strengthen integration with the entire organization, they could also provide centers of disagreement. Cultural gaps are likely to happen on status, professional or divisional lines. Proof of existing subcultures is found in various discursive practices in organizations: in the different accounts employees on divergent organizational categories give organizational occurrences in a specialized form of speech that professionals in some firms share wholly with colleagues that are outside the firm than those that are within; and in various expressive symbols everywhere which subgroups come together in the production of their mutual sense of mission (Zheng & McLean, 2010).

2.2.2 Dynamic Capabilities Theory

Dynamic Capabilities theory was first pioneered by Teece. The concept is stated by Teece et al. (1997) as "the organization's ability to establish, combine, and reconstruct external and internal capabilities to address fast changing environments." The word is not always used in a singular form, dynamic capabilities, emphasizing that the capability to react conveniently and appropriately to external changes requires an integration of numerous capabilities. Dynamic capabilities, on the other hand, alludes that it is "the capacity of an organization to resolutely form, modify or expand, its resource base" (Helfat et al., 2007).

Beyer and Trice (1993) argue that dynamic capabilities allow organizations to construct, integrate, and reconfigure their competencies and resources, hence, maintain performance in the face of business changing environments. The notion of dynamic capabilities was subsequently expanded and refined by other scholars including (Trice and Beyer, 1993; Eisenhardt and Martin, 2000; among others). In

order for organizations to remain competitive in their industry and in whatever they produce, they need to have dynamic capabilities that constitute the organization's ability to utilize their resources effectively. The main presumption of dynamic capabilities structure is core capabilities need to be used to amend short-term competitive positions which can be used to construct longer-term competitive advantage. Educational writing on dynamic capabilities developed over the resource-based perspective of organization and the term "routines" in evolutionary theories of firm (Nelson & Winter, 1982). It therefore gives a link in evolutionary proximity to firms and the economics-based masterplan literature.

By contrast, dynamic capabilities is defined as "the ability of a firm to for a reason create, modify or enlarge its resource base" (Helfat et al., 2007). The main presumption of dynamic capabilities structure is central competencies need be utilized to enlarge short-term competitive spots which could be used to bring up longer-term competitive advantage. In order for an organization to be competitive, it is important it leverages on its dynamic capabilities. Dynamic capabilities are therefore important in the development of organizational competitiveness.

2.3 Components of Organizational Culture

Culture gives firms a sense of identity via the company's rituals, legends, beliefs, values, norms, meanings and language, the manner in which 'things are done around here'. A firm's culture contains what already has worked before and what the firm has been good at doing. These exercises can all the time be consented to without question by individuals who have already worked in a company for a longer period of time. Amongst things new employees first learn are various legends of the organization. Legends can remain in a firm and get to be part of the accepted manner of doing

things. The firm with time will reinforce 'norms' that is accepted (normal) expected character patterns in the firm. A norm is described as an accepted pattern character that is bit of a culture. (Serrat, 2009) outlines components of organizational culture, for instance: norms and traditions, physical surrounding, management behaviors, rules and policies. Pinpointing these components of culture allows firms to determine attributes that can be managed to aid in implementing and sustaining organizational change.

As stated by Schein (1992), culture is the toughest organizational feature to change, outlasting organizational services, products, management and founders and all other physical features of the organization. The model lightens up culture from the point of view of the person odserving, reported three elements: espoused values, artifacts and basic underlying assumptions. Artifacts include physical elements of the firm that show cultural definition. Daniel Denison (1990) explains artifacts as the physical aspects of culture divided by employees. Behavioral, verbal, and tangible artifacts are the exterior exhibition of organization culture. Artifacts are vital elements of corporate culture that differentiates the given organization from the others. Artifacts are the physical and visible features of an organization that individuals see, hear or feel, for instance: language, anecdotes, myths, ceremonies, legends, rituals, décor, appearance etc. (Armstrong, 2006).

Among others, shared value of individuals is amongst the main elements of organizational culture (Smit and Cronje, 1992; Hellreigel et al., 1998). Schein (1994) makes it clear that value which explains structure and rules for communication characters and social interaction of community members is an image of causal cultural presumptions. People who have the same values could feel or interpret occurrences

with situations in the same manner (Meglino, Adkins Ravlin, 1989) which could reduce doubt (Schein, 1985), dispute, (Gitelson and Fisher, 1983), allow for the error-free fore-cast of other people's characters (Kluckhohn, 1951), and make prosperous interpersonal communications highly likely as stated by (Meglino et al. 1989). Practitioners and academics contend that performance of an organization is reliant on the level in which values of the culture are extensively shared (Waterman and Peters, 1982; Deal and Kennedy, 1982; Denison, 1990; Ouchi, 1981; Athos and Pascale, 1981 and Hesket and Kotter and, 1992). It is similarly contended that strongly held divided values enables the management foresee employee responses to some strategic options and by lessening these values, results may not be desirable (Ogbonna, 1993).

Values are common guidelines, criteria, or propositions that guide the character of employees (Jones, 2010). Kandula (2006) pointed out effective execution of duties can never be got without daunting cultural values. There are two forms of values including instrumental and terminal. Desired way of behavior is an instrumental value as stated by (Ornstein & Lunenburg, 2012). A desired outcome which individuals want to achieve is terminal value (Lunenburg, Bulach & Potter, 2012). A firm's culture therefore includes outcomes which the firm wants to attain (its terminal values) and manner of behavior the firm encourages (its instrumental values). They rather help the firm attain its terminal values. Shared values can enhance collective commitment, provide a strong organizational identity, reduce the need for bureaucratic controls and provide a stable social system.

Schein (2004) emphasizes 'possibly the main fascinating aspect of culture as a term is that it directs us to phenomena which are under the surface, and are powerful in their effect but cannot be seen and to a significant degree not conscious'. Schein uses analogy that culture is to a category what behaviour or personality is to a person. 'The

character that comes out can be noticed, but mostly the forces below cannot be seen which causes some kinds of behavior. Just as behaviour and personality restrict and guide character, also culture restricts and guides character of individuals of a group through divided norms which are held in the setting'.

Schein (1990) stresses there are seen and unseen ranks of corporate culture − unseen levels of the 'culture iceberg are assumptions, underlying values, attitudes, beliefs, and feelings. The visible ranks of 'culture iceberg' include observable ceremonies, symbols, slogans, dress stories, behaviors, and physical settings. Change masterplans often pay attention to the visible levels. Kennedy and Deal (1982) stress the more visible ranks of culture (rites, heroes, rituals, ceremonies and legends) since they believe it is these traits that moulds character.

2.4 Factors that Influence Employee Performance

Performance of Employees could be influenced by internal and external factors. The internal factors are ability, motivation level, knowledge and skills. On the other hand, external factors that could influence employee performance could be working environment, changes in technology, and rivalry among others. It is for that reason important to understand internal factors including the external factors that would lead to performance of employees (Heywood and Green, 2007). Wambua, (2004) asserts that the employer has to provide a favorable working environment to inspire employees, which will lead to increased performance. For this reason, understanding the factors affecting job performance is very important in making the banking industry succeed.

Pinder, (2008) said that successfulness of job performance can be determined by the natural aptitude, inspiration, or skills that an individual has and gains with time or

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natural gift. This is because if an employee is motivated to undertake a given task yet he or she does not have the required ability, the job performance can still be affected since the individual cannot undertake the tasks as expected. Improving the performance and productivity of company members to guarantee that financial interventions are economically delivered still is left to be a major problem for African nations (Blanchard and Hersey, 2008). The performance of the banking sector relies on skills, knowledge and the motivation of employees. It is hence vital for employers to give good working conditions to enable employees meet the desired standards in terms of performance.

Role perception could be used to single out performance of employees (Locke, 2011). Role perception of employees is crucial in determining the employee performance sine if employees have clear role perceptions on which roles or tasks they are going to attain, they can put their full efforts and commitment in attaining their objectives without any form of uncertainty and doubt. If employees have role ambiguity on the other hand, they are not clear of what particular roles they are, they cannot wholly focus on their tasks and do not have the confidence in themselves when undertaking their duties due to their psychological impact. Consequently, it can influence the performance extent of members of the organization.

Leadership is the process in which a person influences a grouping of people to attain common aims and objectives (Northouse, 2007). Leadership style is the merger of character and attitude of one who leads, which guides to certain designs in handling adherents (Dubrin, 2004). The leadership way in a firm has a posture on inhibiting or encouraging employee performance in organizations (Armstrong & Murlis 2004; Cronje et al 2001).

Coaching has begun to be a vital method of improving performance of employees (Champathes, 2006). It has proven to be a two way communications whereby coaches spot things can be upgraded and how they can be upgraded. Coaching additionally talks about the characters and beliefs that impede performance (Toit, 2007). It can also be noted that coaching is all about aiding other employees to improve their performance levels (Starr, 2004).

Duvall (1999) states that success is an accomplishment, achievement and attainment that is as a result of empowerment as listed; Personal success which is in form of an individual's role performance, Success in the Organization which is accomplished as members of the organization realize collective organizational aims and objectives, and as employees share a common satisfying and helpful job experience satisfying both personal and social development requirements. Further, empowerment has an important positive connection with satisfaction and performance (Casimir and Bartram, 2007). And particularly empowerment is more powerfully connected with the in-role performance of employers than with fulfillment with the on the lead.

In Chen & Tjosvold study 2006, they disclosed that involvement management is all about making employees participate the decision making process of the organization where they feel that they are given a chance to freely discuss issues and consequently can influence the decision making process in the organization they work for. The general result of involvement is low turn-over and increased employee job performance. Additionally, firms can behave in a manner to add or reduce the status of these mediator elements within their individuals and potentially fortify the positive performance effects of employee involvement (Lam et al, 2002).Employees will be inspired since management deems them colleagues in contribution to firm's success rather than being seen as just subordinates hence would avoid engaging in prejudicial

characters and thus improvement in performance level through timely accomplishment of organizational goals and objectives (Carrel, Kuzmits & Elbert, 1989).

2.5 Influence of Organizational Culture on Employee Performance

Organization culture influences how employees handle themselves in the firm towards the achievement of organization goals and objectives. According to Kaufman (2002) a positive organizational culture strengthens the core characters and beliefs that a person in a leadership position wishes while weakening the activities and the values the person in leadership opposes.

Being aware of the culture of a firm enables individuals to understand the organization's modern ways of operation and past history. The intuition gives a guide on the expected future behaviours (Ergun & Yilmaz, 2008). It can promote dedication to the firm's values and philosophies hence generate shared feelings of performing tasks towards common objectives. Organizational culture serves as a control tool to direct behaviours toward desired characters and away from unwanted characters through its norms (Schein, 2011). Molz and Farashahi (2005) notes that culture is can be a strength and also a weakness. As strength, it can enable decision making process, interaction, and control, and create devotion and cooperation. As a weakness, it can hinder the smooth implementation of masterplan by bringing about opposition to change. If organizational culture is weak, strong, or moderate depends on factors of the organizational longevity of its existence, size, the beginning level of specified organizational culture and the level of circulation between employees.

Singh (2011) asserts that in such organizations, employees do not have a sense of allegiance, commitment, and a sense of identity. Features adopted by organizations

that have weak cultures involve: hostility to change, politicized organizational environment, not willing to look outside the firm for the prime practices and promoting bureaucracy in liking to creativity and entrepreneurship. (Kotter & Heskett, 2005).

According to Quinn and Cameron (2011), organizational culture functions as co-ordination between a company's day to day activities and its employees and the internal unification, where it fails to achieve these tasks to satisfactory position, employees could be negatively influenced. A positive culture embraces adaptation and strengthens employees' performance by inspiring them and moulding their characters towards achieving of organizational corporate objectives (Daft, 2010).

Raduan (2008) mentions that, a high standard of organizational performance is in associated to a firm which has a powerful culture with a result oriented and a well-bound set of beliefs, values, and behaviours. Numerous researchers however agree that culture would still stay attached to high performance if only the culture can adjust to changes in environmental conditions (Stewart, 2010). Moreover, the culture should not only be widely shared, but must also have distinct characteristics that cannot be copied (Mahakalanda & Dasanayake, 2008).

Strong organization culture is very beneficial to enhance employee performance which leads to the attainment of goals and increases the general organization performance (Deal and Kennedy, 1982). Ling & Shann (2010) said that productivity and performance were two different things. He also pointed out that result oriented culture required high level of concepts, education, instruments, management and training and also leadership skills. According to the Stewart (2010), values and norms of organizational culture hugely affect individuals indirectly or directly involved with

the company. The norms are cannot be seen but have a great influence on the profitability and employee performance.

Culture sets the boundaries by giving individuals a set of normative rules to dictate some areas of their character that gives rise to motivations, and a sense of shared identity which contributes to the effectiveness of an organization (Rollinson, 2005). No change would provide sustainable performance except that a firm's culture and members of the organization are fully aligned and prepared to support that change. Culture is what separates truly high-performing companies from the others (Arnborg & Ortiz, 2005).Corporate culture has a notable impact on organizations' economic performance and long-term sustainability. Organisations with a deeply entrenched culture had larger workforce expansions, greater revenue increases, and greater improvements in net income and larger increases in share prices than their match with weaker cultures (Zhang & Tavitiyaman, 2012).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter covers the research design, population of study, sample design, data collection and data analysis.

3.2 Research Design

This study will adopt a descriptive survey research design. This study method was applied since it is used to collect data from a large population at a certain point in time in a highly economic way with the motive of describing the nature of the existing state (Knut, 2006). It is considered the most suitable in behavioral sciences because it seeks to determine the factors associated with particular outcomes, incidents, and conditions of character (Bell, 1987).

3.3 Population of the Study

The population of interest consist all employees of NIC bank. As at January 2016 the total number of employees was 1,164 (NIC bank group Q1 2016 financial results).

3.4 Sample Design

The researcher sampled 10 percent of each sample size from each sample division, that is to say, bank employees were sub divided into 4 strata and ten percent of; top level management, middle level management, lower level management and non-management level of the total respondents. This is because the sample was quite representative of the whole population thus providing the necessary data. For descriptive studies such as this one, 10-30 percent of the accessible population will be enough to form a sample (Mugenda and Mugenda, 2003). Employees were purposively selected from various branches to form a sample of 116 which will be

used for the research study. Stratified random sampling was used because it achieves a greater degree of presentation and also gives members equal chances of being included in the sample (Kothari, 2004). The table below shows how the population was divided.

Table 3. 1: Target Population

Strata	Population	Sample
Top level management	33	3
Middle level management	80	8
Lower level management	120	12
Non-management level	941	94
	1,164	**116**

3.5 Data Collection

The study used primary data. Primary data was collected using questionnaires comprised both close and open-ended questions. The questionnaires are divided into two sections; section A and section B. Section A dealt with general information about the employees, section B addressed cultures components adopted by the Bank and section C addressed employee performance. The questionnaires were administered through e-mail because of distance involved and drop and pick method was also be used.

3.6 Data Analysis

Descriptive statistics which include mean, standard deviation and central tendency was used. To ascertain the influence of organizational culture on performance of employees at NIC bank, regression was used.

$$y=a+b_1x_1+b_2x_2+b_3x_3+b_4x_4+e$$

y = performance level measured from likert scale presented under section C

a = constant variables that affect performance measures

b_1, b_2, b_3, b_4 ~ Gradient (are parameters which will be the coefficient of the
independent   variables)

x_1, x_2, x_3, x_4 = Independent variables

x_1 = Artifacts

x_2 = Espoused beliefs and values

x_3 = Rules and Policies

x_4 = Management behaviors

e = error term

Independent variables were measured from likert scale presented under section B

Tables were used to present the data gathered to enable easy analysis and understanding.

CHAPTER FOUR: DATA ANALYSIS RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter presents data analysis and findings of the study. The data that was collected for the study was analyzed, presented and discussed in this chapter.

4.2 Response Rate

Out of 116 questionnaires distributed, a total of 82 were responded to. This represents 71% of the sample. This response rate concurs with stipulations by Mugenda and Mugenda (2003) that response rate which is above 70% is representative of the target population and adequate for data analysis.

Table 4.1: Respondents' Response Rate

Status	Frequency	Percentage
Response	82	71%
Non-Response	34	29%
Total	116	100%

Source: Field data, (2016)

According to table 4.1, out of the 116 respondents to whom the questionnaires were administered to, 82 responded to all the questions. This represents 71% of the required sample size. The return rate shows that most of the respondents complied with the research analyst in the process of gathering data. The non-response rate was not likely to adversely affect the outcomes of the analysis.

4.3 Demographic Data

In this section concise information of the respondents' demographic data in terms of gender, age bracket, management level, period worked with the bank and highest level of education are captured. Below is table 4.2 that shows the summary of the respondents' demographic information.

4.3.1 Response by Gender

The research study sought to establish the gender distribution of the respondents. This was important so as to understand the trend and patterns of each gender in terms of culture in the organization. The findings were as presented in Table 4.2

Table 4. 2: Response by Gender

Category	Frequency	Percentage
Male	37	45.1%
Female	45	54.9%
Total	**82**	**100%**

Source: Field data (2016)

Based on the analysis male respondents were 37 while 45 were female. The results indicate that 45.1% of the respondents were male while 54.9% were female. The respondents were made up of more female than male. The findings indicate that the male and female difference was not significant and therefore this implies that the study was not influenced by gender imbalance.

4.3.2 Response by Age Bracket

The research study sought to establish the age bracket of the respondents. Age was an important aspect of the study as perceptions depends on level of maturity of the individual. The findings were presented in table 4.3.

Table 4. 3: Response by Age Bracket

Category	Frequency	Percentage
18 – 30 years	28	34.1%
31 – 40 years	36	43.9%
41 – 49 years	14	17%
50 years and above	4	5%
Total	**82**	**100%**

Source: Field Data (2013)

The study enquired the age bracket of the respondents and the research findings showed that most of the employees falling under the age bracket 31-40 years, 43.9% worked with the bank followed by 34.1% who were aged 18-30 years, 17% fell under the age bracket 41-49 years. The least 5% aged 50 and above. The results indicate that all ages were represented although majority of the employees were middle aged and therefore the study represented all ages.

4.3.3 Response by Management Level

The research study sought to establish the age management level of the respondents. Management level was an important aspect of the study as perceptions depends on level of management of the individual. The findings were presented in table 4.4

Table 4. 4: Response by Management Level

Category	Frequency	Percentage
Top level	6	7.3%
Middle level	16	19.5%
Lower level	17	20.7%

Category	Frequency	Percentage
Non-Management	43	52.4%
Total	**82**	**100%**

Source: Field Data (2016)

According to management level, majority of the respondents 52.4% fall under the non-management level followed by lower level management 20.7% then middle level management 19.5% with the least 7.3% being the top level management. From the above analysis it is evident that majority of the respondents were in the non-management level. It was important to know the respondents' management levels so as to have an overall representation of all management levels of all the staff in NIC Bank. This is to ensure the results be applicable to all the employees.

4.3.4 Response by period worked with the bank

The study sought to establish the number of years the respondents had worked with NIC bank. This was to determine whether the respondents had been there long enough to give accurate information for the study. The findings were presented in table 4.5

Table 4. 5: Response by Period Worked with the Bank

Category	Frequency	Percentage
Below 5 years	38	46.3%
6 – 10 years	31	37.8%
More than 10 years	13	15.8%
Total	**82**	**100%**

Source: Field Data (2016)

The table also shows that 46.3% of the respondents had worked for the bank within a period below 5 years followed by 37.8% of the respondents who had worked for a

period between 6 to 10 years. The least 15.8% of the respondents had worked with the bank for duration of more than 10 years. The findings indicate that a sizeable number of the respondents had worked for duration of 6 to 10 years with the bank whereas the least proportion of 15.8% had worked for more than 10 years. These findings show that the respondents had worked long enough to respond to the questions about culture in the organization. This helps validate the research findings.

4.3.5 Response by Highest Education Level

The study sought to establish the level of education of the respondents. The level of education was important in the study because it showed whether the respondents had the adequate level of education to understand the concept and language of the study. The findings were presented in table 4.6

Table 4. 6: Response by Highest Education Level

Category	Frequency	Percentage
PhD	4	4.9%
Masters	22	26.8%
Bachelors Degree	37	45.1%
Diploma	9	10.9%
Professional Certificate	8	9.7%
Others Specify	2	2.4%
Total	**82**	**100%**

Source: Field Data (2016)

Majority of the respondents working with the bank 45.1% had attained a bachelors degree followed by 26.8% with masters and 10.9% being diploma holders. The least were those with professional certificates 9.7%, PhD 4.9% then other certificates 2.4%.

The results indicate that majority of the respondents were university graduates and above and therefore they understand the influence that culture has on their performance level.

4.4 Organizational Culture

The study sought to establish the levels of agreement by employees' on various cultures adopted by NIC bank. The component cultures included artifacts, espoused beliefs and values, rules and policies and management behaviors. A five point likert scale was used where 1- strongly disagree, 2= disagree, 3= neutral, 4= agree and 5= strongly agree. Averages of the cultures adopted were established in order to provide generalized feelings of the respondents. Means less than 1.5 implied that respondents strongly disagree that the culture influenced employee performance. Means more than 1.5 but less than 2.5 implied that the respondents disagree that the culture adopted influenced employee performance. Means greater than 2.5 but less than 3.5 implied that respondents had an indifference response that the culture influenced employee performance. Means greater than 3.5 but less than 4.5 implied that respondents agree that the culture adopted influenced employee performance and means greater than 4.5 implied that respondents strongly agree that the culture influenced employee performance. The standard deviation on the other hand describes the distribution of the responses in relation to the mean. It provides an indication of how far the individual responses to each factor vary from the mean. A standard deviation of more than 1 indicates that there is no consensus on the responses obtained, while less than 1 indicates that there is consensus on the response obtained. The findings are explained in Table 4.7 below.

4.4.1 Artifacts

Table 4. 7: Artifacts

Statement	Mean	Std. Dev
Physical facilities (Air conditioning, lighting, ventilation, noise, heating, etc.) of the building which I work is appropriate for working.	3.95	0.793
The building (Corridors, departments, toilets, elevators etc.) which I work is sufficiently formal, clean and orderly in general.	4.00	1.026
Necessary security measures (entry–exit controls etc) have been taken in the building which I work.	3.82	0.683
Bank officers follow business manner and dress code.	3.90	1.021
Number of equipment's (Printer, PC, table, stationery etc.) that are necessary to do my work is adequate.	3.87	0.833
Bankers are friendly and cautious to customers.	3.85	0.779
Employees like to express their opinions.	3.72	0.826
Employees follow the organization's decisions faithfully.	3.69	1.004
Employees are proud of what they do and proud to be part of the organization.	3.79	0.732
Leaders train subordinates through empowerment.	3.92	0.774
Leaders have to follow all the tasks performed by employees and are responsible for the result.	2.82	1.167
Each department has clear task but need to cooperate with other departments to complete a task.	3.54	0.942
Network and Communication is important.	4.19	1.062

Statement	Mean	Std. Dev
The bank welcomes creativity and innovation and from employees.	3.31	1.08
Innovation process happens very slowly.	3.36	1.048
My body language is carefully studied by my supervisors.	3.1	0.754
There is designated parking for some managers in the Bank.	3.54	1.232

Source: Field Data (2016)

From the table 4.7 above NIC bank employees agreed that network and communication which scored 4.19 was important and the building in which they worked was sufficiently formal, clean and orderly in general which scored a mean of 4.00. The results further indicate that the respondents agreed that the physical facilities of the building in which the worked for were appropriate for working with a score of 3.95, necessary security measures (entry–exit controls etc) have been taken in the building which they work with a score of 3.82, bank officers follow business manner and dress code with a score of 3.90, number of equipment's (Printer, PC, table, stationery etc.) that are necessary to do their work is adequate with a score of 3.87, bankers are friendly and cautious to customers with a score of 3.85, employees like to express their opinions with a score of 3.72, employees follow the organization's decisions faithfully with a score of 3.69, employees are proud of what they do and proud to be part of the organization with a score of 3.79, leaders train subordinates through empowerment with a score of 3.92 and there is designated parking for some managers in the Bank with a score of 3.54. The respondents indicated that they were not sure the bank welcomes creativity and innovation and from employees with a score of 3.31, innovation process happens very slowly with a score of 3.36, employees' body language is carefully studied by their supervisors with

a score of 3.1 and they were also not sure that leaders have to follow all the tasks performed by employees and are responsible for the result with a score of 2.82.

From the above analysis it can be concluded that the adopted cultures at NIC bank are mostly based on network and communication, buildings, physical facilities, necessary security measures, business manner and dress code, work equipment, friendliness and courtesy, freedom of expression, employees faithfully following decisions, employees pride in what they do and in the organization, training through empowerment, interdepartmental cooperation and designated parking for some managers. Employees were not sure if the bank welcomes creativity and innovation and from employees, whether innovation process happens very slowly, if employees' body language is carefully studied by their supervisors and if leaders have to follow all the tasks performed by employees and are responsible for the result.

4.4.2 Espoused beliefs and Values

Table 4. 8: Espoused Beliefs and Values

Statement	Mean	Std Dev
Organizational decisions are followed faithfully and absolutely.	3.85	0.904
The bank engages all members to its vision and mission.	3.33	1.034
High-skilled employees are precious assets to the bank	3.62	0.847
Empowerment helps to train and find out potential future leaders	4.01	1.016
Members of the bank should share the same stand for making decisions	3.1	0.754
Employees respect each other's needs when making decisions in the Bank	3.56	0.912
Innovation creates both risks and opportunity for the bank	3.72	1.075

Statement	Mean	Std Dev
Employees value team work to individualism	3.85	0.904
The bank acknowledges individual employees credentials and strengths.	3.33	1.034
I am not given a chance to air my feelings	2.82	1.167
I am required to be punctual in all meetings of the Bank	4.05	1.123

Source: Field Data (2016)

The results indicate that the respondents agreed that they are required to be punctual in all meetings of the bank and empowerment helps to train and find out potential future leaders with a score of 4.05 and 4.01 respectively followed by employees agreeing that organizational decisions are followed faithfully and absolutely scoring 3.85. The employees also agreed that innovation creates both risks and opportunity for the bank with a score of 3.72, high-skilled employees are precious assets to the bank at 3.62 and finally employees respect each other's needs when making decisions in the bank with a score of 3.56. The respondents were not sure if the bank engages all the members to its vision and mission with a mean score of 3.33. They were also not sure if members of the bank should share the same stand for decision making scoring 3.1. The study further established that employees were not sure on whether they were given a chance to air their feelings with a score of 2.82. From the analysis it can be concluded that most respondents agreed that espoused beliefs and values were a major cultural activity in the organization though employees should be given a chance to air their feelings. They were however not sure if the bank engaged them in its mission and vision and whether the bank should share the same stand for decision making.

4.4.3 Rules and Policies

Table 4. 9: Rules and Policies

Statement	Mean	Std Dev
There is high priority placed on bank rules, regulations values and obligations.	4.21	1.361
People handle with each other fairly considering the values, rules and regulations.	3.62	0.847
The Bank rules provide clear processes, instructions and procedures for employees.	4.36	1.088
The Bank ensures clear instructions are availed to staff concerning their duties and tasks.	3.74	1.208

Source: Field Data (2016)

The results in table 4.9 show that the respondents agreed that the bank rules provide clear processes, instructions and procedures for employees and there is high priority placed on bank rules, regulations values and obligations with mean scores of 4.36 and 4.21 respectively. The respondents also agreed that the Bank ensures clear instructions are availed to staff concerning their duties and tasks and people handle with each other fairly considering the values, rules and regulations with scores of 3.74 and 3.62 respectively. It can be concluded that the bank placed high importance on rules and regulations.

4.4.4 Management Behaviors

Table 4. 10: Management Behaviors

Statement	Mean	Std Dev
Managers are flexible when making decisions	3.44	0.852
Managers take time to build relationships with other employees	3.54	0.942
Managers involve employees in decision making in this Bank	4.26	1.076

Source: Field Data (2016)

The above table 4.10 demonstrates the rates provided by respondents on management behaviors. It is evident that the respondents agreed that managers involved employees in decision making in the bank which scored 4.26, managers take time to build relationships with other employees at 3.54. The employees were however not sure if managers were flexible when making decisions having a mean score of 3.44.

It can therefore be concluded that NIC bank employees were satisfied with how the management involved them in the bank's decision making process and the relationships the management built with them although they were not sure the managers were flexible when making decisions.

4.4.5 Employee Performance

The study sought to establish the performance levels of employees at NIC bank. A five point likert scale was used where 1- Not at all good, 2= Not so good, 3= somewhat good, 4= Very good and 5= extremely good. The findings are explained in Table 4.11

Table 4. 11: Employee Performance

Statement	Mean	Std. Dev
How good is the quality of employees' work?	3.95	0.793
How productive are the employees?	4.00	1.026
How well do employees work with each other?	3.82	0.683
How well do employees solve problems independently?	3.90	1.021
How proactive are employees?	3.87	0.833
How well do employees handle criticism of their work?	3.85	0.779
How well do employees adjust to changing priorities?	3.72	0.826
Do employees work well without supervision as necessary?	3.69	1.004
How well do employees meet work deadlines?	3.79	0.732
How early do employees arrive at work?	3.92	0.774

As shown in the Table 4.10 above, it is evident from the respondents that the performance levels of employees were all good starting with the productivity of the employees with a mean of 4.00, followed by the quality of employees work as supported by a mean of 3.95. Employees also arrive early at work by a mean of 3.92. The other realized employee performance levels included: How well employees solve problems independently with a mean of 3.90, how proactive employees are scoring 3.87, how well employees handle criticism of their work with a score of 3.85, how well employees work with each other with a score of 3.82, employees adjusting to changing priorities as shown by mean of 3.72. How well employees meet work deadlines scoring 3.79. How well employees work without supervision as necessary recorded the least mean at 3.69.

From the above analysis it can be concluded that the respondents agreed that employee performance at NIC bank was generally good

4.5 Correlation Analysis

The study conducted a correlation analysis in order to establish the influence of organizational culture on employee performance. The findings were as shown in the Table 4.5 below:

Table 4. 12: Correlation Analysis

		Employee Performance	Organization Culture
Employee Performance	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	39	
Organization Culture	Pearson Correlation	.995	1
	Sig. (2-tailed)	.001	
	N	39	13

Table 4. 5 showed that there was a strong positive correlation between organization culture and employee performance as shown by the correlation co-efficient of 0.995. This therefore implied that organization culture was proportionately related to employee performance at NIC bank.

4.6 Regression Analysis

The relationship between organizational culture and employee performance among the respondents and the four independent variables were studied. It was found that out of the four, all the four components were closely associated with employee performance at NIC bank. Selected four independent components are,

1. **Artifacts**

2. **Espoused beliefs and values**

3. **Rules and policies**

4. **Management behaviors**

In order to measure the relationship between the independent variables and employee performance, the results were subjected to a multiple regression analysis. The regression analysis will help predict the value of y for values given x_1, x_2, x_3, x_4.

Multiple regression equation $y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + e$

y = performance level measured from likert scale presented under section C

a = constant variables that affect performance measures

b_1, b_2, b_3, b_4 ˜ Gradient (are parameters which will be the coefficient of the

independent   variables)

x_1, x_2, x_3, x_4 = Independent variables

x_1 = Artifacts

x_2 = Espoused beliefs and values

x_3 = Rules and Policies

x_4 = Management behaviors

e = error term

The results are shown in table 4.6 below

Table 4. 13: Multiple linear regression results

S. No	Variables	Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std Error	Beta		
	(Constant)	-0.727	0.084			
1	Artifacts	0.255	0.041	0.196	6.193	0.01
2	Espoused beliefs and values	0.204	0.039	0.161	5.172	0.01
3	Rules and Policies	0.321	0.036	0.278	8.813	0.01
4	Management behaviors	0.205	0.042	0.144	4.857	0.01

a. **Dependent variable: Performance of employees at NIC bank Ltd, Kenya**

Source: Researcher, 2016

The table indicates that the coefficient of artifacts, espoused beliefs and values, rules and policies and management behaviors are positively related to employee performance. From the above analysis it can be said that the organizational culture of NIC bank is positively associated with employee performance.

4.7 Discussion of Findings

The study established that NIC bank engaged in various organizational cultures so as to boost employee performance. The cultures were particularly oriented towards the relationships between the employees and fellow employees and employees with their seniors. The research findings revealed that the dominant cultures at NIC bank were: rules and policies and espoused beliefs and values.

These findings indicate that NIC bank had adopted these cultural components to a great extent. They concur with Hofstede (2001) who points out that the existence of several types of organization cultures exist for example; universalism culture whereby individuals place a high priorities on rules, laws, obligations and values. Especially the kind of culture where people believe that their relationships and circumstances dictate the rules they live by. The findings revealed the some of the various components of organizational culture adopted by NIC bank in its attempt to enhance performance.

The study established that organization culture greatly influenced employee performance in terms of employees' arrival at work early, quality of employees' work and productivity of the employees. These findings are in agreement with Kotter (2012) that organizational culture has power to improve performance of employees, and employee job satisfaction. Suitable organizational cultures will motivate members to diligently attend to their duties hence improve on performance of the firms as a whole. This is due to the fact they will be satisfied due to the good work environment at the office, respectful interactions with one another and comfort. Additionally, they will work towards attaining organizational goals and work subsequently towards the attainment of personal goals. The research findings that organizational culture to a moderate extent influences performance concur with Daft (2010) that a positive organizational culture endorses adaptation and increases employee performance by molding their characters and motivation towards achievement of company goals. Indeed, employees require a supportive organizational culture to achieve their individual goals (Cameron & Quinn, 2011).

The study determined that strong positive relationship existed between organization culture with performance of employees as denoted by the high coefficient 0f 0.995.

These findings are supported by Kotter (2012) organizational culture has ability to increase employee job content, sense of assuarity about solving problems and performance of employees. Farashahi and Molz (2005) note that culture is strength as well as a weakness. It can make possible control and decision making; form commitment and teamwork and communication as a strength. Organizations with a strong culture create coherent and clear values and expect members to agree with and intensely care about the values, even if core values emphasize creativity and dissent (Chatman & Flynn, 2001). According to Cameron and Quinn (2011), organizational culture works as the guiding principal and internal integration between a firm's employees and its day to day activities, when it doesn't succeed to accomplish these tasks to sufficient level, individuals may be influenced negatively. Powerful organization culture is very beneficial to enhance employee performance that lead to increase in the overall performance of the organization and goal achievement and (Deal and Kennedy, 1982).

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter outlines the summary, conclusions and recommendations drawn as a result of the research findings. Limitations of the study and the researchers' suggestions for further research are also discussed in the chapter.

5.2 Summary of findings

The objective of the study was to determine the influence of organizational culture on performance of employees at NIC bank Ltd, Kenya. The study found out that NIC bank engaged in various organizational culture components so as to boost performance of employees. The cultures were particularly oriented towards the relationships between the employees and fellow employees and employees with their seniors. The findings revealed that the provision of rules and policies that provided clear instructions, processes and procedures for employees was the most prevalent culture component.

The existence of organizational culture reported increased productivity in the bank and led to good quality of work from employees. Additionally, it had promoted the timely achievement of set goals by the bank. The study revealed that employees valued team work more than individualism while conducting their duties. More so, they kept work and personal life separate and this translates to better performance since personal issues were not brought at the workplace.

The adoption of cultures that are oriented towards better employee relations with seniors and to fellow work mates were found to have significant influence on performance. The findings show that adoption of organization culture had a strong

positive influence on firm performance and overall employee interactions at the workplace. Employees work in an environment whereby they are surrounded by fellow peers and seniors. The relations they share with these people has an effect on motivation and general job satisfaction. An environment that is friendly and at the same time challenging will motivate employees to put more effort on their duties thus enhancing better organization performance.

5.3 Conclusion

Judging from the various analysis, findings and computations resulting from the collected data for this study, the results reveal some important facts from which the conclusions are based. Performance among NIC bank employees is influenced by different aspects. The study findings have revealed that rules and policies and espoused beliefs and values were important factors in boosting employee performance while compared to the other two variables; (artifacts and management behaviors) in NIC bank. In particular, physical facilities (air conditioning, lighting, ventilation, noise, heating, etc.) and the building (corridors, departments, toilets, elevators etc.) also had a strong influence on employee performance.

Many factors affect performance of employees that managers and supervisors ought to be aware of need to work at all times to improve. It was determined that employees understood their roles and responsibilities and involved themselves in a variety of activities to fulfill what is expected of them. Based on the findings, the study came to a conclusion that all the variables were important in the study. One thing that can be arrived at from this study is that organizational culture is a vital aspect in every firm and that it has an impact on performance of employees.

Organizational culture is a strong force that works to clarify important issues and also to coordinate employee efforts hence eliminating inefficiencies and lowering costs due to immediate and close supervision. A good organizational culture will instill good employee behavior that is in return conducive for good strategy and policy implementation. However, corporate culture components should to be compatible with the intended strategies. This is because culture influences employee actions hence enabling them to support strategy implementation which in turn leads to rules and policy adherence that is good for an organization.

For organizational performance to improve, present organization culture should be compatible and supportive with intended strategies and the daily running of employee activities. For banks to stay competitive, they should fight for a corporate culture which gives employees a sense of belonging to the firm and motivates them. It will definitely lead to more effort by the labor force because they will feel a sense of belongingness in the firm.

The study comes to a conclusion that organizations should not only concentrate on instigating positive cultures that enhance employee performance but also the cultures that support the overall wellbeing of the members of the organization. This is because employees too have their own goals to achieve in relation to career growth aside from working to ensure the firms attain their desired objectives. Management should work towards cultivating a motivating, positive and professional work environment that is not intimidating so that all individuals can achieve their goals without collisions.

5.4 Limitations of the Study

The researcher did not sample some branches of the same bank to investigate whether the culture components studied were being uniformly applied across the same bank. This is because the researcher used drop and pick method to distribute the questionnaires. This could limit the general results of the entire business in those branches across other regions of the country

The researcher heavily relied on the personal views of the staff targeted from the branches selected on the various cultural components adopted. It is therefore difficult to entirely validate the legitimacy of the claims made by the respondents regarding corporate culture at the bank.

5.5 Recommendations for Policy and Practice

The study results have important implications for the management of banks. Based on the results of the study, the management needs to know the importance of organizational culture to growth and success of the firm. They should develop a clear understanding of the organizational culture concepts then build a stronger organizational culture which later will create a competitive advantage for the organizations and improve their performance. The following recommendations should be considered.

Banks should put emphasis on embracing and adopting great organizational culture. This is because organizational culture positively influences strategies and policies implemented thus creating sustainable competitive advantage. Additionally, firms should ensure they align their strategies and organizational culture if they intend to benefit from good organizational customs.

Organizational culture audits should be periodically performed to track progress, fostering a cohesive organizational culture and implementation of organizational culture development programs in all levels to help members of organization develop better understanding of importance of organizational culture

The research findings revealed that organizational culture has influence on performance of employees in banking sector. The study therefore recommends that management should define organizational cultures that are self-sustaining and practical because if there is a conflict between personal agendas and organizational culture then the system designed would fail to reach the success desired. Top management ought to oversee the successful cultivation of practical and suitable organization cultures.

5.6 Suggestions for Further Study

Further assessment on the impacts of training and development at various levels of the hierarchy in the organization and its effects on the achievement of organization culture changes should be done. This would enable the successful and quick adoption of cultural changes without experiencing employee resistance.

Additional research on impacts of leadership styles, group culture and change ambassadors on the implementation of organizational cultural change in firms should to be done. Further assessment on the influence of various professional and ethnic cultures towards the implementation of culture change in organization ought to be done.

The factors that lead to the successful adoption of organizational culture and reasons behind any failure in implementation should be done. Lastly, management role in the implementation of cultural change should be thoroughly assessed.

Similar research works on the impact of organizational culture on firms in various sectors of the economy should be done so as to compare the findings. Furthermore, additional literature needs to be done to examine the influence of singular factors pertaining to organizational culture that have the highest impact on performance.

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APPENDICES

APPENDIX I: INTRODUCTORY LETTER

Dear Respondent,

RE: RESEARCH DATA COLLECTION

I am a Master of Business Administration student at the University of Nairobi specializing in Human Resource Management. In partial fulfillment of the course requirement, am conducting a research study on: ***The Influence of Organizational Culture on Employee Performance at NIC bank LTD, Kenya.***

In view of the above, I humbly request you to create time and answer the questions in the questionnaires attached.

Kindly read the accompanying instructions and respond to the questions as provided for. You may provide any documentation on the same at your discretion. Your positive and objective response will help achieve the objectives of the study.

The information provided will be treated with strict confidentiality for the purpose of achieving the objectives of this research and not for any other reason whatsoever. Your feedback and cooperation in this occurence will be highly appreciated.

Yours faithfully,

Linda Florence Odhiambo,

D61/74829/2014

This questionnaire is meant to collect information on *The Influence of Organizational Culture on Performance of Employees at NIC bank LTD, Kenya.*

This information is being sought solely for academic purposes and will be treated with strict confidence. Kindly answer the questions by ticking the boxes provided as will be applicable. Do not indicate your name as the information given is confidential.

SECTION A: DEMOGRAPHIC DATA

1. Please indicate your gender   Male [   ]   Female [   ]

2. In which Age bracket do you fall? 18-30 [   ]   31-40 [   ]   41-49 [   ]   50 and above [   ]

3. Which management level do you fall under (Please Tick appropriately)

      Top level management   [   ]

      Middle level management [   ]

      Lower level management [   ]

      Non-management   [   ]

4. Please indicate the period you have worked with the Bank (Please Tick appropriately)

  Below 5 years [   ]   6-10 Years [   ]   More than 10 Years [   ]

5. Which of the following exhibits the highest level of education you have attained?

  PhD [   ]   Masters [   ]   Bachelors Degree [   ]   Diploma [   ]

  Professional certificate [   ]   Others Specify………………

SECTION B: ORGANIZATIONAL CULTURE

6. Below are several statements on various cultures adopted by the organization. Please indicate your level of agreement with each of this statement in regard to the influence of Culture of the branch you work for.

Please use the scales of 1-5 where 1= strongly disagree, 2= disagree, 3= neutral, 4= agree and 5= strongly agree.

Statement	1	2	3	4	5
Artifacts					
Physical facilities (Air conditioning, lighting, ventilation, noise, heating, etc.) of the building in which I work is appropriate for working.					
The building (Corridors, departments, toilets, elevators etc.) in which I work is sufficiently formal, clean and orderly in general.					
Necessary security measures (entry–exit controls etc) have been taken in the building which I work.					
Bank officers follow business manner and dress code.					
Number of equipment's (Printer, PC, table, stationery etc.) that are necessary to do my work is adequate.					

Bankers are friendly and cautious to customers.					
Employees like to express their opinions.					
Employees follow the organization's decisions faithfully.					
Employees are proud of what they do and proud to be part of the organization.					
Leaders train subordinates through empowerment.					
Leaders have to follow all the tasks performed by employees and are responsible for the result.					
Each department has clear task but need to cooperate with other departments to complete a task.					
Network and interaction is important.					
The bank welcomes creativity and innovation and from employees.					
Innovation process happens very slowly.					
My body language is carefully studied by my supervisors.					
There is designated parking for some managers in the Bank.					

Espoused beliefs and values					
Decisions of the organization are followed absolutely and faithfully.					
The bank involves all members to its vision and mission.					
High-skilled individuals are valuable assets to the bank.					
Empowerment aids in training and discovering potential future leaders.					
All employees should share the same stand in decision making process.					
Employees respect each other's needs when making decisions in the Bank.					
Innovation creates both risks and opportunity for the bank.					
Employees value team work to individualism.					
The bank rewards individual performance.					
The bank rewards team performance.					
The bank acknowledges individual employees credentials and strengths.					
I am not given a chance to air my feelings.					
I am required to be punctual in all meetings of the Bank.					

Rules and Policies					
High importance is placed on bank rules, regulations values and obligations.					
We deal with each other fairly referring to the values, rules and regulations.					
The bank rules give clear processes, instructions and procedures employees.					
The Bank ensures clear instructions are availed to staff concerning their duties and tasks.					
Management Behaviors					
Managers are flexible when making decisions					
Managers take time to build relationships with individual employees					
Managers involve employees in making decisions in this Bank					

SECTION C: EMPLOYEE PERFORMANCE (FOR MANAGERS ONLY)

7. Below are several statements expressing the performance levels of employees. Kindly indicate the extent to which each of these has been reflected in the bank.

Please use the scales of 1-5 where 1= Not at all good, 2= Not so good, 3= somewhat good, 4= Very good and 5= extremely good.

Statement	1	2	3	4	5
How good is the quality of employees' work?					
How productive are the employees?					
How well do employees work with each other?					
How well do employees solve problems independently?					
How proactive are employees?					
How well do employees handle criticism of their work?					
How well do employees adjust to changing priorities?					
Do employees work well without supervision as necessary?					
How well do employees meet work deadlines?					
How early do employees arrive at work?					

THANK YOU