EMPLOYEE CULTURE ADAPTATION PROGRAMS IN MULTINATIONAL BANKS IN KENYA

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DECLARATION

This project is my original work and has not been presented for examination in any other university

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

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To my family; your love and support made this possible.

ACKNOWLEDGEMENT

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ABBREVIATIONS AND ACRONYMS

ATM   -   Automated Teller Machine

CBK   -   Central Bank of Kenya

EFA   -   Exploratory Factor Analysis

KFC   -   Kentucky Food Chain

USA   -   United States of America

WTO   -   World Trade Organization

ABSTRACT

Multinational organizations including the banks operate in diverse cultural set ups. Management of cross cultures through adaptation, adoption or standardization of culture has been a big challenge to management of multinational banks. Culture adopted by an organization has an impact on behavior, operational efficacy and performance to both the individual and the organization. Cultural adaptation programs are therefore strategic tools used by management of the banks to ensure that an appropriate organization culture is modeled across the employees for purpose of uniformity. Modeling of the culture would only be effective if influential factors are identified and integrated into the culture adaptation programs. The study on cultural adaptation programs by multinational banks in Kenya undertook data gathered from the thirteen multinational banks registered with CBK. A total of thirty factors were analysed using factor analysis method. Factor analysis method reduces the factors to eight important ones which are; human capital effectiveness and performance, customer, governance and ethics, organizational, information and Communication, artifacts, knowledge and innovation, and risk. The recommendations are that multinational banks are required to include cultural adaptation programs which has high impact on the organizational culture. The study recommends cultural adaptation programs which have high human and customer content as found out in the study. The study concludes that cultural adaptation programs are an effective strategic tool of achieving standardized organizational cultural practices in multinational banks in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

International business management has focused on culture as a critical determinant of multinational business success. Johnson et al. (2006) provides the view that cross-cultural competencies in international business are an imperative in the current work place diversity. Cultural adaptation programs serve to reduce impact of cross-cultural differences in multinational companies by closing gaps in perception, attitude and beliefs (Nguyen et al, 2015). Multinational companies seek to perfect a common organizational culture through adaptation as a strategy of enhancing business performance.

The study was based on theoretical foundations of social identity theory (Ashforth & Maer, 1989) and Hoffsted culture theory (Hoffsted, 1980). Social identity theory focuses on groups as agents of efficacy in organizational processes. The theory profounds that relationships between groups influence processes with common group identity creating congruence of objective. Cultural – adaptation programs in multinational banks create group identity by having a common organizational culture. Hoffsted culture theory explains culture from the national perspective. It provides that there exist a differences in national cultures which inadvertently influences the processes and operations in multinational organizations with cultural diversities. Hoffsted uses the concepts of power distance, masculinity, uncertainty avoidance and individualism to depict cultural distance in multinational organizations.

Multinational banks in Kenya represents international business network in the banking industry. The banks have a significant proportion of 13 banks out of the 43 registered banks in the country. Multinational banks present a workplace scenario of employee diversity and cultural which emanate from different national cultures. The banks develop cultural adaptation programs to smoothen out cultural differences and reduce stress, conflicts, attitudes and perceptions associated with cultural differences. How cultural adaptation programs influences organizational culture is an interesting area of international business since organizational culture impacts on success and performance of international businesses. The study was on multinational commercial banks in Kenya focusing on employee cultural-adaptation programs.

1.1.2 Concept of Culture

Culture is the collective assumptions, values and beliefs, which are acquired from being a member to a group (Ghemawat et al, 2011). Culture is a group phenomena which thrives in different group levels; organizations, informal groups, industries, geographical regions and nationals. Culture is acquired through learning processes of socialization, adaptation, assimilation and co-optation. Culture once acquired influences attitude, perception, interpretation, risk orientation, power structure, communication, trust, commitment and time exploration (Voldne et al., 2015). Culture creates identity of groups or organization by sustaining a rhythm on how procedures, systems, structures, dependence, communication or information sharing is operationalized in a manner unique from others (Trompenaars, et al., 2012).

Schein (1992) espoused culture in the form of artifacts, values and basic underlying assumptions. Artifacts components are the tangible aspects of culture, which are visible, can be felt and have a lengthy memorable experience. Artifacts include architectural drawings, symbols, logos, rituals, events and organizational culture. The espoused values consists of values and value system considered to be integral to success of organization, strategies, general philosophies, business philosophy, vision, mission, rules and procedures considered as the standard behaviour. Underlying assumptions include the rhythm arising out of common assumptions on awareness, beliefs, thoughts and feelings, which reside in the subconscious of organizational members. The assumptions which are referred to as common sense of organization develop into a common way of interpretation and reasoning. Assumptions contribute to consistency even where delegation is undertaken (Thakar, A. 2016).

Culture concept is interpreted in different ways in order to gain in-depth understanding on how culture influence organization. Common dimensions of culture includes; cross-cultural difference, cultural distance, cultural shock, cultural competence and cultural philosophy. Cross-cultural differences reflect divergence in skills, personal attributes, and institutional setups between multinational business, workplace diversity and intercultural communications (Johnson et al., 2006). Cultural distance is the extent to which the home culture is different from that of multinational organization's origin. A large cultural distance is an indication of a significant difference in cultural values. Cultural shock occurs out of inability to cope with a new culture or an existing environment. Cultural shock is an outcome of individual inability to cope with new

culture or presence of big cultural distance (Winkelman, 1994). Cultural competence is a reflection of how effective an individual works well and copes with cross-cultural situations. Cultural philosophy encompasses values, missions and beliefs of a culture.

1.1.3 Cultural Adaptation

Cultural adaptation or modeling is a strategy aimed at adopting the behavioural norms of another culture. Culture adaptation is a conscious managerial effort aimed at standardizing behaviour within an organization in bid to reduce uncertainty, anxiety, shock, stress and discounted arising from cross- cultural differences (Jun et al., 2001). Cultural adaptation results to gradual change of behaviour and habits within a culture as people from different backgrounds indulge in the culture while sharing their perspectives and practices. Cultural-adaptation closes the gaps emanating from cultural difference by creating congruence and uniformity in how employees in the organization attach the same meaning to strategy, values, and beliefs about the organization.

Thakor (2016) identifies four types of cultures with their complementing value enhancing activities which banks seek to adapt. The cultures include; clan, hierarchy, adhocracy and market. Clan culture entails collaboration, team working and collectivity. It emphasizes on values of commitment and communication. Hierarchy culture is oriented on control emphasizing values of efficiency, timelines, consistency and uniformity. Adhocracy culture is biased towards innovation, creativity, transformation and change. Market culture is oriented to competition and holds the values of performance as depicted by market share, goal achievement and profitability. Multinational banks in Kenya develop employees – cultural orientation programs based on the four cultures in pursuit of success in the strategies.

1.1.4 Banking Industry in Kenya

The banking industry in Kenya comprises of Central Bank, commercial banks, investment banks and mortgage banks. There are 43 commercial banks, four investment banks and two mortgage banks (Central Bank of Kenya Report, 2017). The Companies Act, Central Bank Act and the Bank Act define the governance of the banks in Kenya. Central Bank of Kenya (CBK) undertakes supervisory role of ensuring compliance to prudential guidelines which it issues in its objective of developing and furthering effective monetary policy.

Financial deepening survey by Central Bank (2015) indicates that less than half of the bankable Kenyan population has opened bank accounts. The implication is dual fold; a huge potential for banking industry growth and a high competition of market share for the operational 43 banks. Technological banking through internet has complicated competition in the banking industry. Mobile phone applications especially M-Pesa platform has enabled banking services of savings, cash transfer and credit settlements which was previously a monopoly of banks to be undertaken by firms in communication industry.

The structure of the banking sector on basis of market share and capitalization is a duopoly. Five major commercial banks control 75% of the market share (Central Bank, 2015). The landscape is a recipe for crisis in monetary policy of the country if the big five exercise cartel tendency. Capitalization of the banks results to ranking of the banks into tiers. Tier one banks have a capitalization of over five billion, tier two banks have a capitalisation of between three to five thousand while tier three banks have a capitalisation of between one to three billion Kenya Shillings. Finance Act of 2008 requires banks to have a minimum core capital of Ksh.1 billion.

1.1.5 Multinational Banks in Kenya

Multinationals whether in banking or other industries involves capital movement across different countries with the objectives of enhancing business advantages of; labour costs savings, taxation benefits, market share and other resources. There are 13 multinational banks in Kenya whose operations are regulated by Central Bank of Kenya (See appendix II). Presence of multinational banks in Kenya is historical. Pre-independence colonial international countries trading with Kenya established banks four purpose of effecting inter-country's cash transfer. Bank of India, Barclays Bank and Standard Chartered bank represent the historical perspective. Bilateral trading between Kenya and other countries has necessitated trade partners to open banks in Kenya. Bank of Kigali and Gulf Bank serve the heavy trade flow between Kenya and respective countries of their origin. Other multinational banks like Eco bank have landed foothold in Kenya out of their expansionist strategy.

Presence of multinational banks in the industry has double-edged consequences. The banks have enhanced technological advancement, which has been adopted by local banks in their operations (Muriuki, 2016). Technological transfer of automated teller machines (ATM), online banking,

integrated business operational systems in Kenya banking industry is accredited to multinational banks. Quality service delivery of multinational banks has been adopted by local banks as part of best practices. Local banks clientele, therefore experience quality service delivery and best practices which have been learned from multinational banks.

Multinational banks however have been faulted for perpetuating a culture which is different from the national culture. The banks are also noted to have a low preference to bottom of the pyramid characterized with low income and purchasing power. Multinational banks are accused of unfair trade practices by monopolizing on clients from their country of origin. This policy made from mother countries makes multinational banks to be extensions of banking industry from mother countries.

1.2 Research Problem

Globalization, liberalization of economies and saturation of local markets have made international business a strategic alternative leading to high growth of multinational businesses. Foreign countries operations through expatriates have experienced mixed success (Johnson et al, 2006). Cross-cultural differences have been cited to be the single most phenomena that influences success of multinational business undertakings in foreign countries (Voldnes, 2012). While multinational businesses have effectively managed to transfer technology and operational efficacy from mother countries to recipient countries, culture transfer has proofed to be a challenge. Culture adaptation has therefore been adopted as a strategy of ensuring performance of multinationals, industrial harmony and contention of the employees.

Multinational banks in Kenya operate in an environment of cross-cultural challenges owing to different national cultures between employees. The challenges include; communication and information sharing, time management, power structures, controls and socialization. The challenges call for a strategic approach in cross-cultural management aimed at creating common purpose and congruence between the employees and the organizations. External environment factors of regulatory authorities, economic, political and social structures dynamics accelerate cultural distance in multinational banks. Management of the banks consequently requires employee cultural adaptation programs aimed at ensuring reduced anxiety, uncertainty and stress

of employees while at the work place. Cultural adaptation program also ensures standardization of cultures in achieving organizational objectives.

Studies on employee cultural adaptation program by scholars have undertaken different approaches. Nguyen et al (2015) carried out a study on changes in adaptation to organizational cultural levels in Vietnamese Commercial Banks before and after WTO participation. By joining WTO, Vietnam got entangled into international integration process which resulted to recruitment from country members of WTO, hence cross cultural difference in commercial banks. The study was a survey involving 265 banking employees from different cultural backgrounds. Standard deviation and paired samples t-test were used to compare the two periods pre-WTO and post-WTO. The results indicated that cultural adaptation programs were applied after WTO-participation to standardize culture in an environment of work diversity.

Thakor (2016) researched on corporate culture in banking and cultural adaptation programs in relation to employee compensation. The study which was carried out in Federal Reserve Bank of New York had the objective of establishing the influence of culture and cultural programs on organization stability and satisfaction on compensation. The findings were that cultural adaptation programs tended to create congruence of purpose and goals and reduce perception of discrepancies in compensation.

Ansuli (2016) researched on cultural heterogeneity towards standardization and adaptation of marketing mix for multinational companies in Ghana. The study involved 82 managers of multinational companies which included banks. The study identified that multinational companies employed both standardization and adaptation of culture. The findings were that adaptation of culture was a superior strategy to standardization because of its flexibility in accommodating cultural dynamism. Muriuki (2016) studies on influence of culture to performance of Barclays Banks. The study's findings were that culture played a central role in influencing performance of multinational banks.

To the best of researcher's knowledge, no known study have been undertaken on employee cultural-adaptation program in multinational banks in Kenya. The study wishes to fill this gap by answering the following research questions; what is the influence of cultural adaptation program on multinational banks culture in Kenya?

1.3 Objectives of the Study

To establish the influence of cultural adaptation programs on multinational bank's culture in Kenya.

1.4 Value of the Study

The study will add new knowledge to the existing one on cultural – adaptation by answering the research questions and closing the research gap. The findings of the study validate the theoretical foundation on cultural adaptation. Replication of the study and the findings to different contexts shall lead to their generalization of applicability to all similar situations. The new knowledge adds value to the existing knowledge by making it current.

Managers of multinational banks in Kenya shall use the findings of the study to enhance cultural adaptation. Existing cultural and new cultural adaptation programs incorporates the findings of the study to enhance their effectiveness. Banking regulators like the CBK shall use the findings of the study to draw policy guidelines to be used by multinational banks in development of cultural adaptation programs. Other multinational business organizations find the research findings to be useful in blending different cultures through cultural adaptation programs.

Researchers shall use the findings for further research on cultural adaptation programs. The findings form the basis for further research to establish their validity and application on cross sectional fields of the economy. Academicians shall use the findings of the study to disseminate knowledge in their respective areas of specialty and institutions. Consultants shall use the findings in training at multinational organizations and developing tailor made training modules on cultural adaptation for different industries in the economy.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of related literature on the subject under the study. Literature review by various researchers, scholars and authors helps in identifying literature gaps. The chapter focuses on theoretical literature, cultural orientation programs, empirical review and summary of the literature review.

2.2 Theoretical Foundation

Zima (2007) describes a theory as a set of assumptions, propositions or accepted facts, which provide a causal relationship among a group of observed phenomenon after undergoing a scientific methodology research of analysis. The study's theoretical foundation is based on social identity theory and Hofsted model of national culture theory.

2.2.1 Social Identity Theory

Social identity theory developed by Ashforth and Mael (1989) explains how a person identifies with individual, groups, institutions and organizations. Social identity theory (SIT) offers a social – psychological perspective of one and others into various social categories, which culminates into organizational membership. Social-identity sums up into submitting one to a social set-up in exchange of distinctiveness, prestige and affiliation. Social identity is promoted by congruence in values, social support systems, professionalism and individual desire of affiliation. June (1991) postulates that social identity and associated antecedents and consequences to the organization influences organizational culture and behaviour.

The concept of identity in the theory emanates from individual psychological perception, which is intertwined to the fate of the organization. Identity is viewed to be different from relational concepts of behaviour and affection in the constructs of groups and commitment. The theory interprets identity in constructs of organization as a group; systems, structures and individuals in leadership (Cameron et al., 2010). Identity in organization is exemplified as individual experiences in success or failure of the organization, in situations of immense loss, missed potential benefits or expected failure (Ghemawat, 2011). Systems and structure identity

incorporates internalization of organization's values, attitudes, beliefs, strategies, systems of authority with one's self-guiding principles. Individual identification calls for a reciprocal role relationship or "classical identification" with organizational leadership. Classical identity involves evaluation or attempt to acquire qualities of a reference group or leader.

Social identity theory views organizations as social categories, which provide characteristics or culture perceived to be that of its members. Organization through social identity helps individuals or employees to fulfill motives and meaning to; connectedness, empowerment, immortality, self-esteem and worth. Such motives can be derived from organizational subsystem of departments or work units and the informal groups. Mintzberg (1983) calls for blending together and evenly a common management style in the organization to promote a common set of values and believes into a mission organization. A mission organization negatively influences the impact of sub-systems and informal groups in provision of social identity. Mission organization moulds or adapts an organization culture which promotes team work.

Social identity theory is relevant to the current study since cultural adaptation programs aim at achieving a congruence of values, beliefs and philosophies between employee and organization. Social identity and cultural adaptation programs motivates the employee to gain meaning and understanding about the organization's strategy and leadership. By perceiving organization to be a social category of identification, employees submit to the culture of the organization through adaptation. Social identification enhances commitment, team working, and industrial harmony and reduces conflict; hence it's in tandem with employee cultural adaptation programs.

2.2.2 Hofsted National Cultures

Hofsted (1980) developed different cultural dimensions exhibited by 50 nationalities. The study's context involved global network of International Business Machines (IBM). Out of the study, Hofsted established four dimensions of national culture which included; power distance, individual / collectivism, uncertainty avoidance and masculinity/feminist. Power distance culture is the extent to which a culture recognizes and reinforces uneven distribution of power. Power distance is associated with higher acceptance of status, age seniority, legitimate power and a high respect to leadership. Power distance culture expects persons in positions of authority to respect those in lower hierarchies or their subordinates.

Individual/collectivism culture dimension is associated with high preference for individual performance as opposed to group or team performance. Collectivism has a high group identity and individuals subordinate their interests to those of the group. Uncertainty cultural dimension is concerned with orientation towards ambiguity and risk. High uncertainty avoidance is associated with preference for predictability and uniformity. Low uncertainty avoidance culture prefers ambiguity, innovation and change. Masculinity / feminist culture dimension places high importance to values and value systems such as recognition, competition, assertiveness and material success. Femine cultures focus more on relationships and well-being of the people while masculine culture is concerned more with organizational bottom line.

Hofsted national cultures framework has undergone modification from various scholars. Kogut(1988) carried out across cultural study on firms entering United States of America (USA) market. The study developed four cultural dimensions which deviated from Hofsted framework; uncertainity avoidance, individuality, tolerance of power distance and masculinity – feminist. Swartziet al., (2001) studied cultures from 56 countries and developed cultural value dimensions of; embeddedness versus autonomy, hierarchy versus egalitarianism and mastery versus harmony. House et al. (2004) based cultural study on leadership and organizational behaviour from different organizations in 62 countries which expanded Hofsted model to nine cultural dimensions.

The nine cultural dimension of House et al, included; performance orientation, future orientation, gender, egalitarianism, assertiveness, institutional collectivism, in-group collectivism, power distance, human orientation and uncertainty avoidance. House et al categorized culture into cultural values (should be) and cultural practice ("as is").Culture "should be" perceive culture as the values, beliefs, norms and behaviour patterns which are rare but are considered important and desirable. Culture "as is" are the cultural practices currently in place. Joridan et al (2006) purports that the nine dimensions of culture developed by House et al, 2004 and culture "as is" are practical and comprehensive cross cultural analysis in international business.

Ghemorat et al, (2011) cautions that researchers should evaluate appeal of each cultural framework developed by scholars to different contexts. He advocates that there is no framework that is most suitable to all contexts. Though Hoffsted cultural framework provides a solid

foundation, other cultural frameworks have been found to be more effective and practical. Ghemorat provides unit of analysis to be important in determining the cultural framework to use. Individual as a unit of analysis is recommended where individual subjective perception is the basis of the study. National or institution are used as basis of analysis where the focus is objective and hence rely on national cultures in an organization. This study will focus on institution and specifically multinationals.

2.3 Cultural Adaptation Programs

Cultural adaptation programs are a set of time bound activities designed by management of organizations to introduce, orient and adapt individual or group of employees to organizational culture. Nguyen et al (2015) proposes that cultural adaptation programs are deliberate managerial efforts aimed at closing cultural gaps existing between employees and organization. Thakor (2016) is of the view that cultural adaptation programs are training investments which minimizes stress, discontent and anxiety through systematic and interactive activities. The objective of cultural adaptive programs is to ensure conformance, develop relationships and create collaborations amidst increasing diversity in working and managerial teams (Song, 2016). Cultural adaptation programs are aligned to organizational culture and business strategy.

Cultural adaptation programs in multinational banks seek to achieve conformance to the five cultural dimensions; collaborative, control, compete, create and artifact espoused by Thakor (2016). Collaborative culture is aligned to clan culture which has value drivers of commitment, communication, team working, information sharing and human capital effectiveness. Collaborative culture aims at long term employee relationships, improved human competences, empowerment and creating an enabling environment. Amerson et al., (2011) equates control culture to hierarchy culture. The value drivers of control culture are efficiency, timeliness, consistency accuracy and uniformity in work processes. Control culture adaptation programs focuses on processes and procedures conformance, risk management and budgetary planning to achieve effectiveness. The programs entail training or mentorship on work process which are tailored to organization's work systems.

Song et al (2016) equates compete culture to market culture. The value drivers of compete culture are; market share, customer solutions, quality service delivery, goal achievement and

performance. The culture emphasizes on competitiveness which is achieved through differentiation in the market and customer satisfaction. Compete cultural adaptation programs focuses on product and services differentiation and are clientele oriented. Van den Steen (2010a) equates creates culture to adhocracy culture. Value drivers in create culture are innovation, knowledge, risk, entrepreneurship and vision. Create culture adaptation programs emphasize on change and creativity to achieve effectiveness in the market.

Artifacts cultural orientation programs focuses on organization as a brand (Song, 2016). The attributes which contribute to brand identity such as; logos, symbols, costumes, colours, business cards, architectural decorations in offices, automated teller machines (ATMs) and stationery are cultures which identify the organization. Artifacts also include ceremonies and events decorations and the associated meanings. The ceremonies and events serve as milestones and constant reminders on growth and achievements of the organization as part of its culture. Stories and anecdotes are a reflection of organization past which has contributed to its present. They serve to connect employees to the past of the organization thereby creating a sense of identity. Adaptation programs for ceremonies and events, and stories and anecdotes are done through telling and participation. Rules and regulations like; code of conduct for staff, internal working regulations, task handling processes, and regulations for staff reward and punishment. Coherent and clearly organized hierarchies' cultural artifacts are presented as organograms. They indicate positions and key members of the organization (Daft, 2010).

Espoused values adaptation programs orient the employees to the system of business philosophy, mission, vision and core values. Nguyen, et al. (2015) postulates that the espoused values comprises of what the organization holds to be the utmost importance in achieving its overall objectives and which is generally adopted by members in making interpretation and decisions. Common values include; integrity, work ethics, accountability and courtesy and customer service. Espoused values differ with organizations and adaptation programs incorporate organizational tailor made during programs (Maolosi, 2010). Cultural adaptation programs are designed to impart the values to newly recruited employees who perpetuate it through work practice. Adaptation to espoused values is influenced by organization's preference to candidates exhibiting adaptability during recruitment.

2.4 Empirical Review

Zhou et al (2012) studied on cultural adaptation pattern analysis of McDonald's and Kentucky Food Chain (KFC) in the Chinese market. The two global brands which are leading food chains in United States of America was faced with Chinese market which presented cultural challenge. The objective of the study was to explore the cultural adaptation patterns and factors leading to cultural adaptation models from a customer perspective. Adaptation patterns and programs operationalized by the two brands as entry strategy are indicated as; product innovation to cater for Chinese taste; targeting based on Chinese cultural values, Chinese eating habits and Chinese customs. The study concludes that cultural adaptation approaches or programs require identification of factors in business activities for a successful and effective adaptation pattern in an industry. Employees joining multination bank require culture adaptation programs to fit in the multinational banks organizational cultures.

Volderes et al, (2015) provides methodologies of adaptation and standardization utilized by international businesses which included multinational banks. The context of the study was entrepreneurial businesses and startups with presence in Spain, Pakistan and Romania. Three methodologies of cultural adaptation are identified; adaptation by indifference and adaptation by submission. Adaptation by indifference methodology occurs where authority is delegated to an appointed local employee who reports directly to the head office or through franchising. The appointed employee of franchise adapts the organization to the local culture and develops employee adaptation programs. Adaptation by submission methodology refers to situation where a foreign organization sets up its operation in another country directly. The business adapts to the culture of the new country by allowing employee to participate in decision making while maintaining strict operational control to avoid localization. Multinational banks operating can use either of the methods in developing cultural adaptation programs.

Ghemawat et al.(2011) viewed cultural adaptation from perspective of national cultural differences. The study applied Hofsted model of cultural dimensions. Ghemawat provides the view that cultural adaptation programs in organizations is a process which is elusive and moves the levels of expressed values towards basic assumptions. Using the submerged tip of the iceberg, Ghemawat points at behaviour arising from value system to be the initial phase in cultural adaptation programs. The value system though divergent across countries is rationalized

through work ethics into; performance, integrity, value for hard work, commitment and diligence, for purpose of cultural adaptation. The study is relevant to the current one because it helps in systematic drawing of adaptation programs in multinational banks by starting with artifacts behaviour modification and ending with underlying assumption.

Ansa (2016) examined strategic application of adaptation or standardization in marketing by multinational companies in business strategy in Ghana. Eighty two managers of multinational companies which included multinational banks were interviewed on cultural adaptation programs and standardization as a form of business strategy. The study which applied marketing mix as the foundation for adaptation recommended that multinational companies apply more adaptation strategies rather than standardization. Using 4Ps of marketing mix, Ansa argues that adaptation accommodates prevailing culture unlike standardization.

2.5 Summary of Literature Review

The theoretical foundations of the study are elaborated using social identity theory and Hofsted national cultures. Social identity theory is applicable to cultural adaptation because employees' identity with the organization when there is congruence of values and beliefs. Hofsted national cultures apply to cross cultural differences with multinational companies or banks. Cultural adaptation programs built on Hofsted model provide organizational culture. The study presents cultural adaptation programs based on dimensions of collaboration, control, compete, create, artifacts espoused values. Various studies on cultural adaptation programs used in empirical review which indicates broad application of culture adaptation programs across various multinationals in addition to multinational banks.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter dwells on the methodology that will be used to carry out the study. Specifically, the chapter will explain research design, the target population, sample design and sample technique, research instruments, data collection, data analysis and presentation methods.

3.2 Research Design

Research design is the framework which guides the researcher on data collection and analysis with the objective of achieving the objectives of the study (Mathoko et al., 2007). The study used descriptive research survey design to organize and summarize data. Mugenda and Mugenda (2003) posits that descriptive research is a process of collecting data from members of a population in order to determine the current status of that population with respect to one or more variables. Kay (1997) provides the view that descriptions of a descriptive research matches with the purpose of the study.

A cross-sectional survey was used in data collection. Cross section survey represents a segment of the population with similar characteristics and which are similarly influenced by the outcome of the study. The cross sectional survey will be on multinational banks in Kenya. Descriptive research describes such things as possible behaviour, attitudes, values and characteristics on the cross sectional survey of multinational banks in Kenya.

3.3 Population of the Study

Polit (1999) defines population of the study as all the elements or individuals with similar characteristics which the researcher has the intentions of studying. The inferences and conclusions draw from the study are generalized to the population because of character similarity. The population of interest in this study will be the 13 multinational banks in Kenya.

3.4 Data Collection and Procedure

Data was collected from one senior manager in each of the 13 multinational banks. Heads of human capital management were preferred to respond on behalf of each organization because

cultural adaptation programs are more pronounced as part of human capital development. Data collected addressed the objective of the study and sought to answer the research question.

A structured survey questionnaire was used as the instrument of data collection. A sample of the questionnaire is attached as appendix I. Mugenda and Mugenda (2003) recommends questionnaire as instrument of data collection where detailed and specific information is required. The questionnaire has three sections. The first part is general information about the respondents. The second section is about the cultural adaptation program on the organization culture. The adaptation programs includes; collaboration, creativity, create, control, compete and artifact. A five point likert scale will be used on section two to measure the strength of responses.

The questionnaire was administered through the method of drop and pick. Prospected respondents were provided with the questionnaire at their respective organization by the researcher. A window of two weeks was allowed before the researcher picks the questionnaire from the respondents. The two weeks window was presumed to be adequate to accommodate the congested schedules of the respondents. Online administration of the questionnaire was undertaken at the respondents' request.

3.5 Data Analysis

Data analysis was done using exploratory factor analysis method (EFA). The method attempts to discover the nature of the constructs influencing a set of responses. The method was appropriate for this study because it considers a number of common factors influencing a set of measures. The factors considered in this study are the cultural adaptations program elements of; collaborative, control, compete, artifacts, create, and espoused values. Decoster (1998) posits that EFA is efficient when determining importance of variables because it assigns values of factor scores to be used in analysis.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents findings analysis and discussions of the study whose objective was to establish the influence of cultural adaptation programs on multinational bank's culture in Kenya. The study targeted all 13 multinational banks in Kenya and 13 respondents. All the multinational banks participated and 13 respondents filled and returned the questionnaires. Response rate was 100 %. Data was then analysed using methods of descriptive statics and factor analysis. The method was employed to identify cultural adaptation factors, which influence culture of multinational banks in Kenya. Factor analysis method (specifically exploratory) was used to analyse the collected data. Factor analysis method is a complex multistage analytical method whose objectives are; to reduce the number of variables, examine the nature of relationships between variable, detection of undimensioanlity of a theoretical construct, evaluates the constructs validity of scale, test or instrument, used to develop theoretical constructs and used to prove or disprove proposed theorem.

4.2 Descriptive Statistics

Table 4.1: Mean, standard deviation and analysis or size of the variable

8.	Factor - Collaboration cultural adaptation programs	Mean	Standard Deviation
i.	Commitment to the organization vision, mission and objectives influence are employee adaptation programs which have an influence on overall organizational culture	4.229	0.538
ii.	Communication in employee adaptation program influence overall culture in my bank.	4.001	0.781
iii.	Team working employment culture adaptation program enhances collaboration in the organization.	4.621	0.524
iv.	Information sharing culture in employee adaptation program influences organization culture in the bank.	4. 521	0.874
v.	Human capital effectiveness employee cultural adaptation program involving quality performance and task performance influence culture of the organization.	4.461	0.533
	Overall	**4.365**	**0.651**
9.	**Factor - Control culture adaptation program**		
i.	Efficiency employee culture adaptation program regarding execution of task influence my bank culture.	3.891	0.364

ii.	Time management employee cultural adaptation program forms part of overall culture of the organization.	3.612	0.527
iii.	Consistency in work output is a part of cultural orientation program which influences overall organization culture.	3.761	0.628
iv.	Accuracy is emphasized in employee cultural adaptation program and have an influence on organizational culture.	3.761	1.169
v.	Uniformity is work process forms part of employee cultural adaptation and has influence on bank culture.	3.573	0.874
	Overall	**3.579**	**0.712**
10.	**Factor - Compete culture adaptation program**		
i.	Market share growth is a part of employee cultural adaptation program that has influence on overall organization culture.	3.465	1.256
ii.	Customer care and solutions employee cultural adaptation program influenced overall organization culture.	4.201	1.227
iii.	Goal and task achievement constitute employee culture adaptation program which impacts on organization culture.	4.224	0.523
iv.	Quality service delivery is part of employee cultural adaptation program which influence the bank culture.	4.224	1.027
v.	Performance is emphasized in employee culture adaptation culture and influence overall organization culture.	4.688	0.522
	Overall	**4.006**	**0.995**
11.	**Factor - Artifacts cultural orientation program**		
i.	Logos, symbols, costumes, colours, business cards, ATMs and architectural decorations are part of employee cultural adaptation programs which influence overall bank culture.	4.621	.622
ii.	Ceremonies and bank events serve as employee culture orientation programs which influence overall culture of the organization.	3.862	1.269
iii.	Rules and regulations such as code of conduct staff rewards and punishment and internal working regulations form part of employee cultural adaptation program which influence overall bank culture.	4.227	0.657
iv.	Organizational charts indicating hierarchy in positions and reporting relationship form part of employee cultural adaptation programs, which influence overall culture of the organization.	4.6210.	0.523
v.	Stories and anecdotes are part of employee culture adaptation programs and influences the organizational culture.	3.863	1.26
	Overall	4.19	0.867
12.	**Factor - Create culture adaptation program**		
i.	Innovation adaptation culture influences overall organization of culture.	3.862	1.269
ii.	Knowledge management employee cultural adaptation	4.621	0.657

	program is undertaken by bank and influences overall organizational culture.		
iii.	Risk management employee culture adaptation program is undertaken by bank and influences overall organizational culture.	4.377	0.523
iv.	Entrepreneur culture is emphasized in employee cultural adaptation program and influence overall organizational culture.	4.227	0.622
v.	Visionary working is emphasized in employee cultural adaptation program and profoundly influences overall organizational culture.	4.19	0.867
	Overall	**4.338**	**1.26**
13.	**Factor - Espoused values adaptation program**		
i.	Integrity is contained in employee culture adaptation program and influence overall organizational culture.	4.021	1.122
ii.	Work ethics forms part of employee culture orientation program which influence overall bank culture.	4.001	0.722
iii.	Accountability in employee culture orientation program influences overall organizational culture.	4.052	1.013
iv.	Customer service forms part of employee cultural orientation program which influence overall culture of the bank.	4.222	0.651
v.	Courtesy is incorporated in employee cultural adaptation program and influence overall organizational culture.	4.458	0.872
	Overall	**4.145**	**0.656**

The findings on table 4.1 regarding collaboration adaptation program indicates that multinational commercial banks have a high practice of team working (M=4.621) and information sharing (4.521). Cultural adaptation programs of performance or human capital effectiveness (M=4.461), commitment to the organisational vision (M=4.229) and communication (M=4.001) are significantly high. On overall collaboration adaptation program are significant with an overall mean of 4.365 and standard deviation of 0.651.

Control culture adaptation program is moderately highly practiced in multinational commercial banks (M=3.579, SD= 0.712). The variables in control culture are moderately high; time management (M=3.612, SD=.527), Consistency in work out put (M=3.761, SD=0.628), Accuracy (M=3.761, SD= 1.169), Uniformity (M=3.573, SD=0.874). The moderately high significance of control culture adaption program can be interpreted as a standardization of multinational banks operations and application of technology.

Compete culture adaptation program have all the variable having a mean of greater than 4 (M>4) except for the market share. Market share growth (M=3.465, SD=1.256) is low among the variables in the factor since it's influenced by many external factors in addition to the culture. Customer care and solutions (M=4.201, SD=1.227), Goal and tasks achievements (M=4.224, SD=.5223), Quality service delivery (M=4.224, SD=1.027) and performance (M=4.688, SD0.522) cultural adaptation programs indicate competitive strategies adopted by multinational commercial banks. Compete culture adaptation program has emphasis on customers, quality service delivery and performance which constitute unique internal capabilities of each multinational bank

Artifacts cultural adaptation programs have a high significance (M=4.19, SD=0.867) which indicates the importance attached by multinational banks to band or logos and symbols (M=4.62, SD=0.657) and orgnisational structure (M=4.621, SD=0.523). Ceremonies and events (M= 3.862, SD=1.269) and stories and anecdotes (M=3.863, SD=1.26) have moderately high significance and high standard deviations due to multinational operations which leads to differences arising from national cultures.

Create culture adaptation program indicate an overall high significance (M= 4.338, SD=1.26). All the variables of the factor except innovation adaptation program have a mean value greater than 4 (M>4). Innovation is moderate (M=3.862, SD=1.269) and lower than the other variables as indication of banks high reliance on procedures and rules compared to new untested methods. Knowledge management (M=4.621, SD=0.657), Risk management (M=4.377,SD=.523), Entrepreneurial (M=4.227,SD=0.622), and visionary (M=4.19, SD=0.867) adaptation programs indicates multinational banks strategy in management of knowledge, risk and entrepreneurship.

Espoused values adaptation program indicates an overall high significance (M=4.145, SD=0.656). All the variables of the factor have a mean value greater than 4 (M>4) Integrity (M=4.021, SD=1.122) Work ethics (M=4.001, SD=0.722), Accountability (M=4.052, SD=0.651), Customer service (M=4.222, SD=1.051) and Courtesy (4.000, SD= 0.872) are significant cultural adaptation programs for multinational banks. The high mean values are an indication of value based management adopted by multinational banks.

4.3 Factor Analysis

Table 4.2 gives the sampling adequacy test and significance of the data for factor analysis. KMO measure greater than 0.5 is considered adequate for factor analysis. Bartlett's test must be very small or have a low significance for data to qualify for factor analysis. KMO is 0.666 and Bartlett's significance is 0.002.

Table 4.2: KMO AND Bartletts Test

Keiser-Meyer-Olkin (KMO) Measure of Sampling Adeqancy	0.606
Bartlett's Test of Approxi. Chi-Square	36.06
SphericityDf	15
Sig.	0.002

4.4 Communalities

Table 4.3 gives the estimated communalities which provides the estimate of that of variability (variance) in each variable that is shared with others, and which isn't due to measurement error or latent variable influence on the observed variable.

Table 4.3: Communalities

Variables	Communalities	
	Initial	Extraction
Commitment to the organization vision, mission and objectives	1	0.987
Communication in employee adaptation program	1	0.982
Team working employment culture adaptation program	1	0.975
Information sharing culture in employee adaptation program	1	0.865
Human capital effectiveness employee cultural adaptation program involving quality performance and task performance	1	0.882
Efficiency employee culture adaptation program regarding execution of task	1	0.963
Time management employee cultural adaptation program	1	0.952
Consistency in work output is a part of cultural orientation program	1	0.892
Accuracy is emphasized in employee cultural adaptation program	1	0.965

Uniformity is work process forms part of employee cultural adaptation	1	0.939
Market share growth is a part of employee cultural adaptation program	1	0.785
Customer care and solutions employee cultural adaptation program.	1	0.892
Goal and task achievement constitute employee culture adaptation program.	1	0.924
Quality service delivery is part of employee cultural adaptation program.	1	0.854
Performance is emphasized in employee culture adaptation culture	1	0.883
Logos, symbols, costumes, colours, business cards, ATMs and architectural decorations are part of employee cultural adaptation programs	1	0.789
Ceremonies and events serve as employee culture orientation programs.	1	0.885
Rules and regulations such as code of conduct staff rewards and punishment and internal working regulations form part of employee cultural adaptation.	1	0.961
Organizational charts indicating hierarchy in positions and reporting relationship form part of employee cultural adaptation programs.	1	0.965
Stories and anecdotes are part of employee culture adaptation programs.	1	0.887
Innovation adaptation culture influences overall organization of culture.	1	0.952
Knowledge management employee cultural adaptation program	1	0.884
Risk management employee culture adaptation program	1	0.964
Entrepreneur culture is emphasized in employee cultural adaptation	1	0.778
Visionary working is emphasized in employee cultural adaptation program.	1	0.869
Integrity is contained in employee culture adaptation program	1	0.881
Work ethics forms part of employee culture orientation program	1	0.954
Accountability in part of employee culture orientation program	1	0.968
Customer service forms part of employee cultural orientation program.	1	0.966
Courtesy is incorporated in employee cultural adaptation program	1	0.879

Table 4.4 indicates importance of each of the 30 variables derived from each of the factors. Component factors or variables are deemed to have importance if they have eigen values greater

than 1. Only 8 component factors have eigen values greater than 1 and explain 94% of the total variability in the data. The conclusion is that 8 factor solution will probably be adequate to explain cultural adaptation programs in multinational banks. The 30 variables in the questionnaire are therefore reduced into 8 factors with minimal loss of information.

Table 4.4: Eigen values

Variables / components	Initial Eigen Values			Extraction sums of square Loading			Rotation sum of squared Loadings		
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %
1	11.06	31.05	31.05	11.06	31.05	31.05	11.06	31.05	31.05
2	6.01	15.02	36.07	6.01	15.02	36.07	6.01	15.02	36.07
3	4.68	14.1	50.08	4.68	14.1	50.08	4.68	14.1	50.08
4	3.75	12.66	62.74	3.75	12.66	62.74	3.75	12.66	62.74
5	3.01	9.72	72.46	3.01	9.72	72.46	3.01	9.72	72.46
6	2.77	7.94	80.50	2.77	7.94	80.50	2.77	7.94	80.50
7	1.19	5.31	85.81	1.19	5.31	85.81	1.19	5.31	85.81
8	1.13	4.47	90.27	1.13	4.47	90.27	1.13	4.47	90.27
9	0.97	3.11	93.38	11.06	31.05	31.05	11.06	31.05	31.05
10	0.75	2.86	96.24						
11	0.63	1.56	97.80						
12	0.53	1.02	98.82						
13	0.41	1.18	100						
14	0.00	0.00	0.00						
15	0.00	0.00	0.00						
16	0.00	0.00	0.00						
17	0.00	0.00	0.00						
18	0.00	0.00	0.00						
19	0.00	0.00	0.00						
20	0.00	0.00	0.00						
21	0.00	0.00	0.00						
22	0.00	0.00	0.00						
23	0.00	0.00	0.00						
24	0.00	0.00	0.00						
25	0.00	0.00	0.00						
26	0.00	0.00	0.00						
27	0.00	0.00	0.00						
28	0.00	0.00	0.00						
29	0.00	0.00	0.00						
30	0.00	0.00	0.00						

Extraction Method: Principal Component Method

CHAPTER FIVE

DISCUSSION CONCLUSION AND RECOMMENDATION

5.1 Introduction

The objective of the study was to establish influence of cultural adaptation programs on multinational bank's culture in Kenya. This chapter seeks to determine whether the objective was met and if the research question was answered. Preliminary analysis on rating of the variables 30 variables is indicated by mean scores in Table1. Variables with high mean score are considered to be important.

5.2 Summary of Findings

Factor analysis was performed on the 30 component factors that represented cultural adaptation programs in multinational banks in Kenya. Varimax and Kaiser Normalisation rotation methods were used to extract the factors. Table 4.5 indicates the 8 factors of cultural adaptation extracted and have the highest influence. Factor 1colects 9 variables which are grouped together due to their high loading in respect to the factor. These includes; team working, human capital effectiveness, employee efficiency, time management, consistency in work output, accuracy at work, consistency in performance, goal and task achievement and overall performance. The factors have the common denominator of employees effectiveness and performance hence factor 1 is described as "human capital effectiveness and performance".

Factor 2 was loaded with 5 variables which focused on the customer; customer care and solutions, quality service delivery, courtesy to clients, customer empathy, proactive approach to customers. Factor two was described as "customer services and solutions" because the factors rotated around the customer. Factors 3 was loaded with four variables . Factor 3 had variables of commitment to organizations vision and mission, market share growth, organizational chart and organizational rules and regulations. The factors were deemed to be organizational based and hence were described as "organizational factors".

Factor 4 and 5 was loaded with three factors each. Factor four has loadings of; integrity, work ethics and accountability. The factors are grouped around organizational value system. They are described as "governance and ethics". Factor 5 is loaded with the factors of logos, symbols

ATMS and colour; ceremonies and events; and stories and annectodes. The factors define the identity of the organization and are described as "brand". Factors 6 and 7 are loaded with two factors each. Factor 6 has the factors of innovation and knowledge. The factors promote innovations and are described as "innovation and creativity". Factor 7 has the loadings of; information sharing and communication. The factor is described as "information and communication". Factor 8 is loaded with on factor of risk management and is described as "risk"

5.3 Conclusion

The study identified 8 factors in cultural adaptation programs which have significant influence on multinational banks. The factors were labeled as follows: human capita effectiveness and performance, customer service and solutions, organizational, governance and ethics, brand, knowledge and innovation, information and communication, and risk. The findings are in concurrence with previous researches done scholars: Zhou et al (2012)emphasized on culture programs role on innovations, customers and branding by McDonalds and Kentucky Food Chain (KFC) in the Chinese market. Ghemawat (2011) viewed cultural adaptation programs from value system perspective. The value system incorporates governance, ethics and accountability which are part of the factors in the study.

From the study, it can be concluded that multinational banks in Kenya need to undertake a strategic approach in their cultural adaptation programs. The strategic approach calls for incorporation of factors with significant approach when designing the cultural adaptation programs. The programs should emphasize on human, customer and organizational aspects which have been found to have significance. The banks can undertake a common approach because they are in similar but new cultural environment.

5.4 Limitation of the Study

The study focused on cultural adaptation programs in multinational banks in Kenya. Multinational banks were found to have diverse approaches in the program thereby making the research to make modifications and increase on explanations. Culture being a sensitive aspect called for persuasion of the respondents who were keen to guard on their culture management programs. Data was collected from senior management of the multinational banks and not from

the employees. A scenario where the data is collected from the employees is desired for comparison purposes.

5.5 Area for Further Study

The study focused on cultural adaptation programs in general. Categorization of employees to foreign employees, managers and non-managers would depict a practical view of the influence of the adaptation programs. Each category of employees have different roles and management expectations and hence the cultural adaptation programs will influence differently to each of the categories. The study should be extended to the local banks whose culture is similar to that of multinational banks since they are in the same industry. A comparison of the local banks and multinational banks cultural adaptation programs would yield to composite programs to be adopted by the industry.

5.6 Implication of the Study to Theory, Policy and Practice

The research findings have identified critical factors that would make cultural adaptation programs effective. The findings are supported by empirical studies making the findings appropriate for implementation by the practitioners or multinational banks. Cultural adaptation programs require a strategic approach in their design by emphasizing more on factors whose influence is significant.

Adaptation of culture other than adoption of culture is a more appropriate policy, which considers cultural norms in different countries where multinational banks operate. Adaptation is enhanced when the where culture adaptation programs are designed strategically by incorporating significant factors to each of the countries. Generalisation of the programs globally as a policy would not apply equally to all multinational banks.

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APPENDICES

APPENDIX I: QUESTIONNAIRE

My name is Caroline Bii. I am an MBA student at the University of Nairobi undertaking an academic research on CULTURAL ADAPTATION PROGRAMS IN MULTINATIONAL BANKS IN KENYA. Your response is of great value to the success of this study and is highly requested. Information provided will be treated with utmost confidentiality and will be solely used for the purpose of this academic research. Kindly respond by answering the following questionnaire in perspective of your bank.

Section A: Personal and general information

1. Name of your organization…………………………………………………………………

2. Gender   male   (   )   female (   )

3. How long have you worked in the organization?

    Below 1 year (   )   1 – 3 years   (   )

    3 – 5 years   (   )   5 years and above   (   )

4. In the table below, put a √ in the appropriate box.

	Does your bank:	Yes	No
(i)	Have cultural adaptation programs?		
(ii)	Implement cultural adaptation programs?		
(iii)	Evaluate cultural adaptation programs?		

5. Do cultural adaptation programs have influence on overall culture in your bank?

    Yes   (   )   No   (   )

6. Describe cultural adaptation programs in your bank……………………………………….
    …………………………………………………………………………………………………

7. What is the influence of cultural adaptation programs on overall culture in your bank?

    …………………………………………………………………………………………………
    …………………………………………………………………………………………………
    …………………………………………………………………………………………………

Section B: Culture adaptation programs

Indicate by putting a√ on the extent to which you agree on the statements below about cultural adaptation programs in your organization.

The interception is as hereby provided 1- to a very little extent, 2-to a little extent, 3-to some extent, 4-to a good extent, 5-to a very good extent

8	Collaboration Cultural Adaptation Program	1	2	3	4	5
i.	Commitment to the organization, vision, mistakes and tasks influence are employee adaptation programs which have an influence on overall organization culture					
ii.	Communication employee adaptation program influences overall culture in my bank.					
iii.	Team working employee culture adaptation program enhances collaboration in the organization.					
iv.	Information sharing culture in employee adaptation program influences organization culture in the bank.					
v.	Human capital effectiveness employee cultural adaptation program involving quality performance and task performance influence culture of the organization.					
9.	Control Culture Adaptation Program	1	2	3	4	5
i.	Efficiency culture in employee culture adaptation program influence my bank culture.					
ii.	Time management culture in employee cultural adaptation program forms part of overall culture of the organization.					
iii.	Consistency in work output is a part of cultural adaptation program which influences overall organization culture.					
iv.	Accuracy is emphasized in employee cultural adaptation program and influences on organizational culture.					
v.	Uniformity in work process forms part of employee cultural adaptation program and has influence on bank culture.					

10.	**Compete Culture Adaptation Program**	1	2	3	4	5
i.	Market share growth is a part of employee cultural adaptation program that has influence on overall organization culture.					
ii.	Customer care and solutions employee cultural adaptation program influences overall organization culture.					
iii.	Goal and task achievement constitute employee culture adaptation program which impacts on organization culture.					
iv.	Quality service delivery is part of employee cultural adaptation program which influence the bank culture.					
v.	Performance is emphasized in employee culture adaptation culture and influence overall organization culture.					
11.	**Artifacts Cultural Orientation Program**	1	2	3	4	5
i.	Logos, symbols, costumes, colours, business cards, ATMs and architectural decorations are part of employee cultural adaptation programs which influence overall bank culture.					
ii.	Ceremonies and bank events serve as employee culture orientation programs which influence overall culture of the organization.					
iii.	Rules and regulations such as code of conduct staff rewards and punishment and internal working regulations form part of employee cultural adaptation program which influence overall bank culture.					
iv.	Organizational charts indicating hierarchy in positions and reporting relationship form part of employee cultural adaptation programs which influence overall culture of the organization.					
v.	Stories and anecdotes are part of employee culture adaptation programs and influence the organizational culture.					

12.	Create Culture Adaptation Program	1	2	3	4	5
i.	Innovation culture is part of employee culture adaptation program and influences overall culture of the organization.					
ii.	Knowledge management employee cultural adaptation program is undertaken by bank and influences overall organizational culture.					
iii.	Risk management employee culture adaptation program is undertaken by bank and influences overall organizational culture.					
iv.	Entrepreneur culture is emphasized in employee cultural adaptation program and influence overall organizational culture.					
v.	Visionary working is emphasized in employee cultural adaptation program and profoundly influences overall organizational culture.					
13.	Espoused Values Adaptation Program	1	2	3	4	5
i.	Integrity is contained in employee culture adaptation program and influences overall organizational culture.					
ii.	Work ethics forms part of employee culture adaptation program which influence overall bank culture.					
iii.	Accountability in employee culture adaptation program influences overall organizational culture.					
iv.	Customer service forms part of employee cultural adaptation program which influence overall culture of the bank.					
v.	Courtesy is incorporated in employee cultural adaptation program and influence overall organizational culture.					

Thanks for your response

APPENDIX II: THE FACTOR MATRIX

	VARIABLES	F1	F2	F3	F4	F5	F6	F7	F8
1	Commitment to organization vision, mission and objectives								
2	Communication in employee adaptation program								
3	Team working employment culture adaptation program								
4	Information sharing culture in employee adaptation program								
5	Human capital effectiveness employee cultural adaptation program involving quality performance and task performance								
6	Efficiency employee culture adaptation program regarding execution of task								
7	Time management employee cultural adaptation program								
8	Consistency in work output is a part of cultural orientation program								
9	Accuracy is emphasized in employee cultural adaptation program								
10	Uniformity is work process forms part of employee cultural adaptation								
11	Market share growth is a part of employee cultural adaptation program								
12	Customer care and solutions employee cultural adaptation program.								
13	Goal and task achievement constitute employee culture adaptation program.								
14	Quality service delivery is part of employee cultural adaptation program.								
15	Performance is part of employee culture adaptation								
16	Logos, symbols, costumes, colours, business cards, ATMs and architectural decorations are part of employee cultural adaptation programs								
17	Ceremonies and events serve as employee culture adaptation programs.								
18	Rules and regulations such as code of conduct,								

	staff rewards and punishment and internal working regulations								
19	Organizational charts indicating hierarchy, positions and reporting relationship								
20	Stories and anecdotes are part of employee culture adaptation programs.								
21	Innovation adaptation culture influences overall organization of culture.								
22	Knowledge management employee cultural adaptation program								
23	Risk management employee culture adaptation program								
24	Entrepreneur culture is emphasized in employee cultural adaptation								
25	Visionary working is emphasized in employee cultural adaptation program.								
26	Integrity is contained in employee culture adaptation program								
27	Work ethics forms part of employee culture orientation program								
28	Accountability in part of employee culture orientation program								
29	Customer service forms part of employee cultural orientation program.								
30	Courtesy is incorporated in employee cultural adaptation program								

Factor 1 (F1) -   Human Capital effectiveness and performance

Factor 2 (F2) -   Customer

Factor 3 (F3) -   Governance and Ethics

Factor 4 (F4) -   Organisational

Factor 5 (F5) -   Information and Communication

Factor 6 (F6) -   Artifacts

Factor 7 (F7) -   Knowledge and Innovation

Factor 8 (F8) -   Risk

APPENDIX III: LICENCED MULTINATIONAL COMMERCIAL BANKS IN KENYA

No.	Multinational Commercial Banks
1	Bank of Africa Limited
2	HDFC Bank Limited
3	Ned bank Limited
4	First Rand Bank
5	Bank of China
6	Habib Bank AC Zuric
7	Bank of Kigali
8	Citi bank
9	Eco bank
10	Gulf Africa Bank
11	United Bank of Africa
12	Standard Chartered Bank
13	Barclays bank of Kenya

Source: Central Bank of Kenya (2016)