THE CULTURAL PERSPECTIVE OF INTERNATIONAL OPERATIONS BY BARCLAYS BANK OF KENYA

BY

DANIEL NJORA MURAYA

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS OF THE AWARD OF MASTER OF BUSINESS ADMINISTRATION DEGREE, SCHOOL OF BUSINESS UNIVERSITY OF NAIROBI

OCTOBER, 2012
DECLARATION

This research study is my original work and has not been presented for the award of a degree in any other University

Signed: ................................................ Date .......
Daniel Njora Muraya
D61/7291/2006

This management research study has been submitted for examination with my approval as the university supervisor

Signed: ................................................ Date .......
Mr. Eliud Mududa
Lecturer, School of Business
University of Nairobi
DEDICATION

This research work is dedicated to my beloved wife; Racheal Muraya, my son, Jessee Muraya and my parents (Serah Wanjeri and late Muraya Ngotho).
ACKNOWLEDGEMENTS

I would like to thank my Supervisor, Mr. Eliud Mududa for his stimulating insights and discussions as I was carrying out this research work. Also, I acknowledge and think my colleagues (past and present) at the University of Nairobi School of Business for their support and guidance, particularly Ann Munyiva and Boniface Mwita. Thanks also go to Barclays Bank of Kenya Management for allowing me to carry my research work in the organization and beyond that they availed for interviews which resulted to this great work. Finally, my thanks go to Rachael, my wife, Jesse my son and my sister Gladys who have endured my weekends and nights of toil.
ABSTRACT

Differences among employees can include rate, gender, ethnic background, physical and cognitive abilities, religious beliefs, life styles and body structure. The major difference is cultural oriented – for example, ways of greetings, how to carry out certain ceremonies and rituals, values and personal behaviour. Cultures unique to each country, region within a country, organization or institution, or a segment group within an organization.

A person's culture strongly influences his or her beliefs. Values and behaviour. This in turns influences a wide range of other activities moreso within an organization – including how someone built working relationships, made decisions, greet one another and in general set business priorities. Culture can exist not only at a national level but also at regional, organization and group levels. This research paper focuses culture at organizational level (Barclays Bank of Kenya) and has sought find to the extent to which culture governs its international operations.

Barclays Bank of Kenya being a multinational enterprise must regard culture at all strategic human resource management practices so as to sustain its comprehensive advantage. In the study of this reputable organization, the researcher conducted the research work through the case study and data was collected by face to face encounter with the respondent with a help of interview guide. Data collected was analyzed using content analysis. The respondents were of the view that culture is of great importance in management of Barclays Bank of Kenya and thus managers must understand and demonstrate respect cultural differences. It was also noted that cultural intelligence must be strengthen among managers which can lead to great trust and openness among employees.
Finally the research study made various recommendation, for example, employees to understand organization goals and managers to discuss how to achieve each of them with respect to approaches by human resource department can ensure diverse workforce is employed in order to enrich cultural mix. Customizing performance appraisals is also key in order to meet unique circumstances among employees and Barclays Bank management to establish cultural mentor who can provide leadership skills in relation to cultural diversity.
# TABLE OF CONTENTS

Declaration ............................................................................................................................. ii  
Dedication ............................................................................................................................ iii 
Acknowledgements ............................................................................................................... iv  
Abstract ................................................................................................................................... v  
List of Abbreviations ............................................................................................................. ix  

## CHAPTER ONE: INTRODUCTION .................................................................................. 1  
1.1. Background of the Study .............................................................................................. 1  

1.1.1. Cultural Perspective of International Operations .................................................. 2  

1.1.2. Barclays Bank of Kenya ......................................................................................... 3  

1.2. Research problem ......................................................................................................... 4  

1.3. Research Objectives ..................................................................................................... 5  

1.4. Value of the Study ....................................................................................................... 6  

## CHAPTER TWO: LITERATURE REVIEW ................................................................... 7  
2.1. Introduction ................................................................................................................... 7  

2.2. The Culture Concept .................................................................................................... 7  

2.3. Cultural Value Dimensions ......................................................................................... 9  

2.3.1. Individualism-Collectivism .................................................................................... 9  

2.3.2. Masculinity-Femininity .......................................................................................... 10  

2.3.3. Uncertainty Avoidance .......................................................................................... 11  

2.3.4. Power Distance ........................................................................................................ 12  

2.4. Organization Culture ................................................................................................... 12  

2.4.1. What shapes organization culture .......................................................................... 14  

2.4.2. Value of a strong positive culture ......................................................................... 14
2.4.3. Changing Organizational culture .............................................................. 15

2.5. Culture and Managerial Behaviour .......................................................... 16

CHAPTER THREE : RESEARCH METHODOLOGY ............................................ 19

3.1. Introduction ............................................................................................... 19

3.2. Research Design ....................................................................................... 19

3.3. Data Collection Method ........................................................................... 19

3.4. Data Analysis ............................................................................................ 20

CHAPTER FOUR : DATA ANALYSIS, RESULTS AND DISCUSSION ............ 21

4.1. Introduction ............................................................................................... 21

4.2. Qualitative Data Analysis ........................................................................ 21

4.3. Cultural Intelligence ................................................................................. 23

4.4. Communicating Across Culture ............................................................... 23

4.5. Cultural Value Dimension ....................................................................... 23

4.6. Discussion ................................................................................................. 24

CHAPTER FIVE : SUMMARY, CONCLUSION AND RECOMMENDATIONS .... 27

5.1. Introduction ............................................................................................... 27

5.2. Summary of the findings ......................................................................... 27

5.3. Recommendations .................................................................................... 28

5.4. Limitation of the study .......................................................................... 28

5.5. Areas for further Research ..................................................................... 29

REFERENCE ................................................................................................. 30

APPENDIX ....................................................................................................... 35

INTERVIEW GUIDE ......................................................................................... 35
LIST OF ABBREVIATIONS

ABSA - Amalgamated Businesses of South Africa

ATM - Automated Teller Machine

BBK - Barclays Bank of Kenya

COYA - Company of the Year

PLC - Public Limited Company

SMEs - Small and Medium Enterprises
CHAPTER ONE : INTRODUCTION

1.1. Background of the Study

Organizational leaders execute various functions such as planning, organizing, controlling, leading and staffing, they also make decisions at different levels while considering hard and soft skills within the organization. Apart from technical and human side skills, Henrie and Souza-poza (2005) appreciated the fact that culture plays a significant role, bringing in both positive and negative impacts in any organization. Shore and Cross (2005) found out that when it comes to decision making employees bring in their own culture which they have developed over time into the team which creates complexity due to cultural divergence among them.

It is critical for any international enterprise to develop cultural awareness and understanding among its global managers. Such managers would be in a position to blend national culture into organizational culture since national culture is more deeply rooted in the individual than the organizational culture due to the fact that an individual learns national culture at very early stage of life when its influence is not known (Pheng and Long, 1999). Such cosmopolitan managers will not block out that which is contrary to their known culture or conflicts with their deep rooted beliefs instead they develop broad minds and tolerance thus minimizing negative impact of culture but maximizing benefits of intercultural experiences making organization reputable for observing international etiquettes.
1.1.1. Cultural Perspective of International Operations

Homewood and Iwin (1989) defined international business as any profit-related activities conducted across national boundaries. According to Weihrich and Koontz (1993) the conduct of international operations largely depends on organization objectives and the means with which they carry them out. The operations of international enterprises are affected by various variables such as physical, social and the competitive variables. Business organizations in international ventures can maximize benefits through respect and adjustments to local cultures since new ideas and experiences can be learned and adapting to the different cultures of the world which makes firms succeed in global market. Global enterprises mainly have strategic corporate units in various countries or regions that interact with the headquarter but specialized functions may be performed in different countries. A key aspect of these firms is that they try to create a global culture that ties people to the organization and helps coordinate the scattered offices. Deversky (1997) argues that for a firm to compete aggressively in the twenty-first century, firms must make considerable investments overseas – not only on capital investment but also in well trained managers who have the skills essential to working effectively in a multicultural or cross-cultural environment. As a manager there is a great need to handle a set of dynamic and fast changing variables such as politics, economic legal technological and ecological but intertwined with these variables in foreign environment is culture which affects daily management.

Barclays Bank of Kenya (BBK) being a multinational enterprise must regard culture at all strategic human resource management practices in order to sustain its competitive advantage; for example at recruitment level it has to hire staffs from various
backgrounds whose ways of life such as language, values, clothing and perceptions differ significantly – thus human resource managers must be thoroughly equipped with cross cultural skills which will help them on how to identify and single out candidates who is right for a particular role and not discriminate any on ground of their cultural orientation. On the other hand when rolling out its strategic plans, BBK must understand different cultural orientation as some environment (regions) are long-term oriented which others short term oriented thus best fitted with long and short strategic plans respectively. On employees relation on its operations there may be a great need for BBK to embrace employees’ welfare groups. Nzeli (1986) argues that in African communities individual is not alone but rather belongs to the larger community. It is therefore common in organization to see groups of employees who often pool resources together to aid a colleague who may not be obligated to repay or take second place in the queue on future occasion since individual’s misfortune is a community affair.

1.1.2. Barclays Bank of Kenya

Barclays was founded in Kenya in 1916 but incorporated in 1978 with trading name Barclays Bank of Kenya Limited; its a subsidiary of Barclays PLC which is registered in London. Among the Commercial Banks in Kenya, BBK is leading in terms of financial strength, its business units fall under the following categories, Retail banking, Corporate Banking, Treasury and Card Services. It has extended its interest in local business and small and medium enterprises (SMEs). Its significance in Kenya is mainly due to great financial base, extensive local and international resources, consistent performance in the financial market, advanced technology application in its processes and strong brand name. The main goal is to remain the leading retail and corporate bank in Kenya and to
be recognized as trusted, innovative, customer focus Company that delivers products and services of superior quality to all customers.

Barclays has established an extensive network of over 117 outlets with 231 automated teller machines (ATMs) across the country. To offer its customers convenient and all inclusive banking services, BBK has waived levies charges for use of ATMs. This no charge ATM services compliment its free internet banking services and no charge mobile banking platform, Hello Money. In the recent past Barclays has won various prestigious awards. These include: company of the year (COYA) – first runner up; Best Bank in Kenya, Best Emerging Bank in Kenya (Global Finance Magazine), African Pot of Hope Award, Best Internal Communication Award and Fire Award for financial reporting. In its endeavors to achieve its goals BBK is guided by four main principles; Best people-which aim at developing colleagues to reach their full potential, Pioneering - which is geared towards driving new ideas, skills and operation success, winning together-focus on achieving collective and individual success and finally trusted principle which - ensure everything is done with integrity to retain trust of all stakeholders.

1.2. **Research problem**

For any international organization to survive in a competitive environment it is critical for its leadership to have clear knowledge of cultural perspectives before formulating strategies. Wild (2010) argues that managers need the ability to alter their behavior when working with people from other cultures. This need was also emphasized by Dr. Harman (1988) who had a call to managers to change their minds and grow beyond cultural limitations, becoming truly cosmopolitan, thus being able to function effectively
anywhere in the world since individuals, groups and organizations have certain mental framework through which they synthesis information from the environment.

It is notable that commercial banks in Kenya like any other financial institutions operate in a dynamic environment with numerous and significant factors that influence their operations and performance. Various researchers have carried out several studies on Kenyan Commercial banks; Gathoga (2001) did a study on several external factors affecting these institutions, Osulo (2006) did a survey of asset liability management practices on commercial banks in Kenya, Mungai (2007) carried out a study on “integrating strategy formulation and implementation” which focused on banking industry in Kenya.

In parallel, the changes and uncertainty associated with globalization of Kenyan Bank demand a need to understand cultural impact on internationalization of operation at every stage of their development. However, a research is yet to be done on cultural effects on banking industry in Kenya, this constitutes a knowledge gap which this study seeks to address. The broad aspect of culture and the number of Kenyan commercial Banks has made the researcher to focus on Barclays Bank of Kenya which is the leading financial institution in Kenya. To this end the study has been guided by the question: how does Barclays Bank of Kenya apply cultural issues in its international operations?

1.3. Research Objectives

The objectives of this study were:

i) To determine the extent to which culture governs the operations of Barclays Bank of Kenya.
ii) To determine how Barclays Bank of Kenya applies cultural orientation in its international operations.

1.4. Value of the Study

The value of the study will accrue to various stakeholders. First, the government and financial regulators; government will use the research findings to educate the employees who are working in state owned banks which are becoming global in their operations. The financial regulators will use the findings to empower financial institutions on cultural knowledge concerning challenges that face them as they internationalize their operations.

Secondly, the Barclays Bank of Kenya will benefit with the finding as the management will be able to identify the cultural challenges within the operations. Identification of these challenges will lead to seeking solutions that will amicably solve them; this will lead to profitability due to motivated diverse workforce. Also cultural research students, scholars and other academicians will be in a position to use this study as reference point from which further research can be done to enrich academic community. Finally, other multi national organizations in Kenya will be in a position to benefit from the findings of the study since cultural challenges among multi national organizations tend to be similar more so for those located in a particular environment.
CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction

This chapter presents a review of the literature related to the purpose of the study. The review will be undertaken with an aim of eliminating duplication of what is currently done and also provide better understanding to the concept of culture to the researcher. It will be based on authoritative, original and recent sources.

2.2. The Culture Concept

Culture is a broad concept. Hofstede (1991) argued that in international ventures can maximize benefits through respect and an adjustment to local cultures. Keegan (1995) argues that culture consists of learned responses to recurring situations. The earlier these responses are learned, the more difficult they are to change since they guide our actions, decisions, methodologies, feelings and thoughts, experience of ourselves, others, institutions and the world around us. Our social values are changing. Lancaster (2008) argues that values of health, economic, security and stable relationship are returning us to the values of the pre-1960s, he highlights the changing cultural values in the youth, who question on materialism and its values. They have little respect for authority and the law. They also believe in their right to be confrontational and have a desire for innovation and change. Machatte (2009) looked deeply on culture and argued that it is important to assess the cultural differences of ethnic populations. Understanding these differences enables organizations to meet their specific needs, tastes, and language on organizational cultural knowledge. Machatte (2009) discussed and emphasized its relevance as is the beliefs held by the organization based on experience, observation, reflection and environment. It will
develop shared beliefs about the nature of the business, capabilities, markets and competitors and will use these criteria to judge new ideas and proposals. Through evaluation of contributions of above scholars we can learn that, the concept culture is deep, wide and multi-faced and its effects on organizational functions cannot be underestimated since these underlying values mean victory or defeat of any business enterprise.

Culture is not easy to define, Weirich (1993) described culture as a pattern of behavior related to values and beliefs that were developed over a period of time. Symbols, for example, may indicate what members of a society or an organization value. According to Jobber (2007) culture is the combination of traditions, taboos’, values and attitudes of the society in which an individual lives. Also, culture is values, beliefs, and assumption learned in early childhood that distinguishes people in one society from those in another (Beck and Moore 1995, Hofstede, 1991). Machatte (2009) argues that culture is about beliefs and values that are passed on from generation to generation. Weirich, Sober, Beck and Machatte all agree that culture relate to a group of individuals whom are given a particular identity and guide their actions, decisions, method of doing things, their feelings, and their thoughts and shape their experience. Inferred from their arguments is the dynamic concept of culture which is the foundation of Kottler (2008) argument that cultures are the most fundamental determinant of wants and behavior.

Culture is a deep concept that requires global managers to exercise pro-active leadership. Trompenaurs (1993) in his attempt to define the culture suggested that there are different levels at which culture can be understood or defined. First, the observable, expressed or ‘explicit’ elements of culture which include behavior, customs and social rules. The
artifacts which are concrete expressions such as art and literature and also rituals which is pattern of collective behavior which has traditional or symbolic value, for example, such as greeting styles. Beneath these observable phenomena lie values and beliefs which give the behavior, artifacts and rituals their special meaning and significance. Finally, beneath values and beliefs lies assumptions which are foundational ideas that are no longer consciously recognized or questioned by the culture, but which ‘programme’ its ways of thinking and behavior. From the above definitions, of people in terms of food, clothing, language, conceptions and values or communicable knowledge and behavioral traits that is shared by participants in a social group and manifested in their intuitions’ and arts facts.

2.3. Cultural Value Dimensions

The cultural value dimensions represents a detailed analysis of national cultural diversity. Hofstede (1980) argued that national culture can be empirically determined and he came up with dimensions by which it can be classified. These are power distance, individualism versus collectivism, uncertainty avoidance and masculinity versus femininity. These dimensions have great influence on all strategic human resource management practices, for example, recruitment practices, staff appraisal systems, remuneration systems and work flexibility arrangements.

2.3.1 Individualism-Collectivism

Management practices are affected depending on whether culture is individualistic or collective oriented. Individualistic culture is attributed to a loosely knit social framework in which people emphasize only their own interest and individuals are offered large
amount of freedom as compared to collectivism culture which describes a tight social framework in which people expect others in groups to look after them when in need (Hofstede, 1980). Blunt (1983) argues that Kenyans have communalization tendency where he gave an example of employees welfare groups which pool resources together to aid a colleague in case of bereavement or any need with no obligation on him/her to repay or take second place in the queue on a future occasion. Study by Blunt and Jones (1986) shows that employees in these sectors depend on organizations as a large community for emotional support.

A Communal oriented culture regard job security at the workplace as very important element and they do anything possible to avoid actions or behaviors that can threaten it (Leonard, 1991). According to Hofstede’s (1980) findings, such culture during hiring preference is given to relatives of the manager and known families by the workers thus employees are concerned with the reputation of their company and help correct the undesirable behavior of a family member in the organization. He compared this almost to symbiotic family relationship where there are mutual obligations of protection in exchange for loyalty. In performance appraisal Kanungo (1995) observed that there is great resistance to evaluating and discussing individual performance in collectivism society like Kenyan and work evaluation of groups, sectors or departments is more acceptable as compared to individual evaluation.

2.3.2. Masculinity-Femininity

Masculinity-Femininity is also referred to as quantity versus quality of life dimension. According to Hofstede (1980) masculinity cultures emphasize the quantity of life and value acquisition of material possessions thus fewer performance – contingent records to
produce higher performance in work units. On the other hand feminine cultures are characterized by cooperation at work, good work relationships across all levels of management, team work and consultation, promotion by merit and greater preference for smaller firms. He further argues that Hofstede Kenya scores highly on feminine part of dichotomy. Feminine management practices emphasize the quality of interpersonal relations and quality of working life issues, for example, producing customized products (Newman, 1996). Bjerkeand Al-Meer (1993) revealed that the feminine societies place a great deal of emphasis on concern for others and a friendly relationship among people. There is low stress in the workplace because workers are given a great deal of freedom and thus employees are motivated (abudu, 1986).

2.3.3. Uncertainty Avoidance

The world is dynamic and changing, the future is unknown and it will always be. Uncertainty avoidance explains how society members behave in the state of uncertainty. A strong uncertainty avoidance society seems to structure social systems with order and predictability given a preference, rules and regulations dominate (Hofstede, 1980). According to Blunt (1983) there is possibility of conflict of interest among Kenyan employees who value some ceremonies, such as burial while multinational organizations management practices give little emphasis on such. For example, Hofstede (1980) noted that leave to attend funeral of a relative or friend would be denied as reason is not justified which greatly impact the performance of the employees concerned arguing that management practices do not regard their cultural values.
2.3.4. Power Distance

Individuals differ in terms of their physical and intellectual attributes. This creates a significant difference in their maternal possessions and power in the society. Hofstede (1980) defined power distance measure of the extent to which a society accepts the fact that power in institution and organizations is distributed unequally. It patterns on how culture deal with inequality on its operations, Blunt and Jones (1986) argues that Kenya is a high power distance country and it has norms, values and beliefs which assume that people in the society have them station in life thus inequality is acceptable. High power distant culture has their organizations set by hierarchical decision making systems and employees are mainly fearful of their seniors; titles, ranks and status are highly regarded in such a culture. In Kenya Kamoche (1992) argued that there is a sense of “them and us” between superiors and subordinates which creates a dependency syndrome thus managers find it difficult to delegate to their subordinates or involve them in decision making process.

2.4. Organization Culture

As it relates to organizations, culture is the general pattern of behavior, shared beliefs, and values that members have in common, Weihrich and Koontz (1993). Mullins (1979) argued that this is a collection of traditions, values, policies, beliefs and attitudes that contribute a pervasive content for everything we do and think in an organization, Schein (1985) said, “It’s the way we do things around here”. Schwarz and Davies (1981) defined it as a pattern of beliefs and expectations shared by the organization’s members, and which produce norms which powerfully shape the behavior of individuals and groups in the organization.
Cultural assumptions, values and beliefs influence the behavior of individuals, groups and organizations they create a shared ‘style’ of operating within a given culture, Vincent (2009). Managers, especially the top managers, create the climate for the enterprise as their values influence the direction of the firm. Weihrich and Koontz (1993) argue that in many successful companies, value-driven corporate leaders serve as role models, set the standards for performance, motivate employees, make the company special and are a symbol to the external environment. Strategy gurus Johnson, Scholes and Whittington (2005) introduce the concept of the cultural web, as a way of representing ‘the taken-for-granted assumptions, or paradigm, of an organization, and the behavioral manifestations of organizational and culture’. The elements of the web; stories, symbols, power structures, organizational structures, control systems and rituals and routines interact and complement one another to form the paradigm of an organization. Culture can be inferred from what people say, do and think within an organizational setting. It involves the learning and transmitting of knowledge, beliefs and patterns of behavior over a period of time which means that an organization culture is fairly stable and does not change fast (Weihrich and Koontz, 1993). Machattie (2009) argued that cultural knowledge is the beliefs held by the organization based on experience, observation, reflection and its environment. It will develop shared beliefs about the nature of its business, capabilities, markets and competitors and will use this evidence to judge new ideas and proposals. This could help the company answer questions, for example, what knowledge would be useful to the company and worth pursuing?
2.4.1. What shapes organization culture

Organizations are as different and varied as nations and society of the world (Handy 1995). They have different cultures affected by events of the past and climate of the present, by the technology of the type of work, by their aims and type of people who work in them. Walsh, Wright and (Vincent 2009) discussed various factors that influence organizational culture. First, organization’s founder will set values and assumptions which will have their own momentum. Secondly, history of organization influences as it involves shared history of successes, failures, changes, great leaders and other historical milestones. Also they identified leadership and management as key influencers as organization with a strong culture recruits and develops managers who naturally conform to and perpetuate it. Weihrich and koontz (1993) argued that managers especially top managers, create the climate for the enterprise. Their values influence the direction of the firm. Values can be thought of as forming ideology that permeates every day decisions. Since an organization has perpetual succession, it never dies, and external environment is challenging to control or influences any successful enterprise must have value-driven leaders, who will serve as role models, set the standards for performance, motivate employees, make company special, and become cultural symbols for the external environment. And finally, organization environment will shape its culture since nations, regions, occupations and business types have their own distinctive cultures and these will affect the organization style.

2.4.2. Value of a strong positive culture

A defining feature of excellent companies is their use of their cultural values to guide business processes and motivate employees (Peters and Waterman, 1981). Deal and
Kennedy (1982) likewise argued that cultural strength as a powerful tool for shaping the behaviour and success of an organization. Not all organization cultures are ‘strong’ – those that contribute to improved business performance. ‘Strength’ refers to the degree to which employees share a commitment to a range of goals and values espoused by management and have a high level of motivation to achieve them. Warsh, Wreight and Vincent (2009) argued that strong culture will improve performance in three ways. First, strong culture can replace rules, guidelines and close supervision, focusing employee’s attention on values such as quality and customer service, and empowering them to make more flexible decisions in pursuit of those values. Secondly, strong culture can increase employee loyalty and commitment as people need both to feel part of something meaningful and to ‘shine’ as stars in their own right: strong culture can satisfy both needs, by emphasizing the ‘family’ nature of the enterprise and building myths to reinforce the ‘heroic’ nature of the enterprise and by using value laden symbols as rewards and incentives. Finally, cultural values can be used to drive organizational change, on the basis that if values change, and behavior will follow.

2.4.3. Changing Organizational culture

Cultures which are negative, unsuited to changing requirements or otherwise failing or dysfunctional can be changed. Warsh, Wreight and Vincent (2009) identified key tools of cultural change. Firstly, consistent expression and modeling of the new values by management, leaders and influencers. This can be achieved by changing underlying values and beliefs, through communication, education and involvement of employees on discussing the need for new ideas and behaviors. Secondly, by spreading new values and beliefs and encouraging employees to ‘own’ them. Thirdly, use of human resource
management mechanisms to reinforce the changes. This involves making the new values and behaviors criteria for recruitment and selection, appraisal and reward and including them in competency profiles and learning needs assessments for training and development planning. Changing culture is an uphill task as Weihrich and Koontz (1993) argued that changing it may take a long time, even five to ten years. It demands changing values, symbols, myths and behavior. It may require first understanding the old culture, identifying a subculture in the organization, and rewarding those living this new culture.

It is common for a clear vision of a common purpose to elicit commitment. Moreover, when people participate in the decision-making process and exercise self-control, they feel committed to their own plans. But espoused values, culture, need to be reinforced through rewards and incentives, ceremonies, stories and symbolic actions.

2.5 Culture and Managerial Behaviour

Cultural differences affects managerial behavior and practices (Weihrich and Koontz, 1993). The Kluckhohn-Strodtback framework identifies six basic cultural dimensions: relationship to the environment, time orientation, nature of people, activity orientation, focus of responsibility and conception of space (Princeton, 1992). How a particular culture orient to time will greatly influence planning for example, long term plan are best for long term oriented culture which embraces persistence, perseverance and close attention. Some cultures also clearly differentiate gender roles thus in planning is good to know whether the culture stress on gender equity or dominance of one gender. Implementation of a plan need team work for it to be effective and thus in individualistic culture its hard to effect it while in collective society it may work magic since team spirit exist and a lot of co-operation.
Culture will also influence organization: the kind of organizational structure or the altitude toward delegation (Weihrich and Koontz, 1993) and influence assignment of tasks as some culture may value certain task differently, as some signify status regardless of income while others are perceived for society failures. On co-ordination the nature of people understanding is critical since manager must achieve effective departmental and interpersonal reactions for good work performance, different values, perception, likes and norms thus a manager will require to use cultural knowledge and skills to achieve maximum benefits resulting from human relations.

Focus of responsibility has implications for the design of jobs, approaches to decision making, communication patterns, reward system and selection practices in organizations; for instance in individualistic society will emphasis personal accomplishments. Also in a multinational, selection is much influenced by culture as it has to hire staff from various ethnic and regional backgrounds whose ways of life; language, values, clothing and perceptions differs significantly. Weighrich and Koontz (1993) emphasized on this function by pointing that some culture base their staff selection on family relationship rather than professional qualifications. It is worth noting that some cultures are very open while others are very conservative, these differences in the conception of space has a great influence on job design and communication and it may influence how business meetings are conducted whether behind closed doors like British culture or in open like Eastern countries. In conclusion understanding a cultural influence on managerial behavior does not mean you must embrace all its beliefs and behaviors. Neither does it imply that you must change your values or indulge in a cultural practice that you disagree with. What it does mean is that you use your knowledge of others’ culture to understand
why they do 'their' things the way they do this understanding can lead to more positive
and productive relationships.

3.1 Introduction

This chapter discusses how the study was carried out; it explains the methods and stages
that has been followed to conduct the research. Also the chapter discusses the research
design, data collection method, data analysis and data presentation methods which has
been applied in the study.

3.2 Research Design

The study was conducted through a case study design. Mugenda and Mugenda (2003)
argued that a case study is essential for analyzing information in a systematic way in
order to get useful conclusions and recommendations. Also, case study allows details to
be secured from multiple sources of information and results be verified through in-depth
probing (Cooper and Schory, 1995).

A case study was suitable for this research as it has involved a complete observation of
the unit under study. It has also been possible to narrow the focus of study in order to achieve
a greater depth. Anon (1992). The choice of Barclays Bank was due to the fact that it is
the leading bank and its operations is influenced by global parameters due to its
worldwide activities.

3.3 Data Collection Method

The study employed both primary and secondary data. Primary data was collected by face
to face encounter with the respondents with a help of interview guide. The primary data
was targeted, supervisors, team, leader, departmental heads, and center managers. The
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses how the study was carried out; it explains the methods and stages that have been followed to conduct the research. Also, the chapter discusses the research design, data collection method, data analysis and data presentation methods which have been applied in the study.

3.2 Research Design

The study was conducted through a case study design. Mugenda and Mugenda (2003) argued that a case study is essential for analyzing information in a systematic way in order to get useful conclusions and recommendations. Also, case study allows details to be secured from multiple sources of information and results to be verified through in-depth probing (Cooper and Emory, 1995).

A case study was suitable for this research as it has involved a complete observation of unit under study. It has also been possible to narrow the focus of study in order to achieve a greater depth, Aosa (1992). The choice of Barclays Bank was due to the fact that it is the leading bank and its operations are influenced by global parameters due to its worldwide tentacles.

3.3 Data Collection Method

The study employed both primary and secondary data. Primary data was collected by face to face encounter with the respondent with the help of interview guide. The primary data targeted; supervisors, team leaders, departmental heads, and centre managers. The
secondary data was obtained from BBK records and reports relating to its operations, newsletters, magazines and studies done on the company.

3.4 Data Analysis

Data collected was thoroughly examined and checked for completeness and comprehensibility. It was analyzed using a content analysis. Content analysis involves critical observation and detailed description of the unit under study (Mugenda and Mugenda, 2003).

The content analysis was relevant since the data collected was qualitative in nature and it did not limit the respondent on the answers. Data was analyzed to determine its accuracy, credibility, usefulness and consistency.
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents data analysis and the results of the research findings. The analysis is based on the data collected from ten interviews with Barclays Bank of Kenya; supervisors, team leaders and departmental heads. Content analysis was used to analyse the data collected in the study.

4.2 Qualitative Data Analysis

The study sought to collect data by the use of an interview guide. The interview guides were personally administered and the total number of respondents targeted was twelve in number. Out of the twelve respondents targeted, ten were available for the interview. This represents a respondent rate of 83%. After completing the interviews the responses were checked to ensure their validity to the study. The ten responses qualified for the analysis.

The respondents were of the view that culture is of great importance in Barclays Bank of Kenya. They argued that differences among employees can include race, gender, ethnic background, physical and cognitive ability, sexual orientation, religious beliefs and work commitments. The major difference being cultural which influences way of greetings new business partners, how to negotiate a deal and how to resolve conflicts within an organization. The respondents went on to say that the best way to manage a culturally diverse workforce is by incorporating employees diverse experiences, orientations and perspectives into the way the company does business. Managers implement an “inclusion” approach to culture - to change things for the better. Respondents argued that
the best cultural diversity initiatives encompass all employees not just members of a niche group. The most critical diversity strategy benefit everyone. The respondent further argued that a person's culture strongly influences his or her beliefs about how the world works and how people should interact; behaviours such as gestures of eye, facial expressions among others cannot be ignored in the place of work as culture influences a wide range of business activities. The respondents were in opinion that there is a need to strengthen Barclays Bank of Kenya leadership with cultural knowledge. They argued that by first identifying the prevailing cultural intelligence level. This can be done by each manager assessing their strengths and weaknesses on cultural issues more so reflecting back on their past behaviours in actual intercultural situations.

Barclays Bank now operate in numerous regions and countries. Respondents were on opinion that to attract and motivate different employees from around the globe, as well as win and keep customers in a multitude of environments, managers must understand and demonstrate respect for cultural differences. By enabling employees to bring all their unique qualities to work — including their differences — Barclays Bank will stand a greater chance of maintaining an edge over rivals.

The respondents felt that there is great cultural misperceptions among managers, though a cultural diverse workforce can give Barclays Bank important competitive advantages. However, misperceptions about cultural diversity prevent the organization from gaining these opportunities since it is planting the seeds of conflict in the workplace. The respondents were in agreement that for Barclays Bank to succeeded in the cultural diverse society a culture of inclusion must be created through open discussion of cultural
backgrounds. In an inclusive environment, managers will demonstrate their belief that good ideas can come from anyone. A cultural diverse workplaces, people will share their broader range of ideas and feelings more frequently than they do in cultural homogenous organization.

4.3. Cultural Intelligence.

The researcher identified that possibilities abound for misunderstanding based on cultural differences. Most manager's abilities to adapt to a new cultural setting, learn patterns of social interactions specific to that environment and responding appropriately is weak. There is a great need to strengthen their cultural intelligence by emulating other cultural rules moreso when interacting with them, thus demonstrating esteem for them and for how they do their business in their own culture. This leads to great trust and opennes which is key in any business relation.

Respondents were on opinion that understanding a culture does not imply that you get assimilated to their beliefs and behaviours. Neither does it imply that you change your values or embrace cultural practice that you disagree with. What it does mean is that you use your knowledge of others culture to understand why they do business the way they do. Researcher found that with increased globalization of Barclays' Bank Operations – including merging with ABSA, international cultural differences have presented a great challenge and thus managers must be good cultural communicators.

4.4. Communicating Across Culture

Barclays Bank operations are international; sell its products to customers from various countries, employ individuals from different nationalities and has acquired ABSA which operates in other countries. Researcher identified that routinely managers encounter and
communicate with people from various national cultures. This poses a risk of communication gaffes which can destroy business relationships thus hurt business performance. Through the research the researcher identified need for managers to sharpen their cultural awareness by taking advantage of resources provided by the company such online training and reading books and articles on how to communicate across culture. Also they need to be aware of national culture differences moreso when interacting with others. Taking advantage of any cross-cultural training is essential or going through courses offered by colleges and universities relating to culture. Finally, identifying fellow managers who are knowledgeable and skilled in cross-boarder communication and making them their mentor may also yield great success.

4.5 Cultural Value Dimensions

Barclays Bank of Kenya is also influenced by national culture. Kenyans have communal tendencies. This is seen in welfare groups which managers have agreed to be formed by the employees to pool resources together to aid a colleague in case of an emergency, for example, bereavement. Also on performance appraisal which is much individualistic, in Barclays. Majority of respondent felt that it is not fair enough. Even though Kenyans on Hofstede (1980) scored highly on Feminine as compared to masculinity, the researcher found that Barclays is more masculinity inclined whereby little freedom is allowed as more attention is on production and performance as compared to concern for others and friendship. Barclays Bank seem to be a strong uncertainty avoidance organization as there is a level of structure, order and predictability and little attention is given to employees who value community ceremonies and festive. Research found that the
organization is a high-power distant since there is a set of hierarchical decision making systems and employees regard their senior in awe.

4.6 Discussion

The researcher found that majority of the respondent had a challenge in defining the concept culture. This agrees with Trampenauus (1993) who argued that culture can be defined differently and even understood at different levels. The respondents mainly defined culture as combination of traditions, taboos, values and attitudes of the people in the society, this definition is in line with Hofstede (1991) who argued that culture is values and beliefs that a person learns mainly from childhood. The study also reveals that employees in Barclays bank of Kenya has communalization tendency as they have formed welfare groups which pools resources together to aid a colleague in case of bereavement or any other genuine need. This communal oriented culture was also observed by Blunt and Jones (1986) who observed that employees may depend on organization as a large community for emotional support.

Disparity was observed on Hofstede’s (1980 findings which found that managers in communal society prefer hiring employees by giving first preference to relatives and known families by workers. The study showed that managers are on opinion that academic or career excellence goes above nepotism, thus a great disparity with the study.

On performance appraisal Kanungo (1995) observed that there is great resistance in evaluating and discussing individual performance in a communal society like Kenya. These findings were in line with the research study whereby majority were on opinion that group evaluation could be fair in order to avoid prejudice during performance appraisal due to different cultural orientation among employees.
On power distance Kamoche (1992) argued that there is a sense of "them and us" between superiors and subordinates in high power distant culture. Even though Kenya is classified as low power distant country, Barclays Bank being international in its operations this sense is highly manifested as the research found a deal of dependency syndrome as the managers argued. Also the researcher found that there is saying "management and other staff" and this shows power distance. Finally the researcher found that organizational culture is key and leaders shows set values that create the climate for the enterprise same argument which is shared by Weinrich and Koontz (1993).

5.2. Summary of the findings

A person's culture strongly influences his or her beliefs about how the world works and how people should interact, also values — what people consider most important such as family or personal life, religion and career which influences their performance in workplace and in turn affect the performance of the organization.

Behaviour is the language of international business. People put much greater store on a handshake, on friendship and even small expression matters a lot and one need to cooperate culture that is open and sympathetic, that is, tolerant of different cultures. Also, an organisation can reap the benefits promised by a cultural diverse workforce through fostering an inclusive environment where managers welcomes the many differences that distinguish their employees. In conclusion culture influences a wide range of business activities — how to build a business relationship through communication, deliver presentations and even set business priorities.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Introduction
In this chapter, the researcher summarizes findings from this study in relation to the objectives of the study, to determine the extent to which culture governs the operations of Barclays Bank of Kenya and to determine how Barclays Bank of Kenya applies cultural orientation in its international operations. The research also presents recommendations on areas that were found to have gaps relating to culture and Barclays Bank of Kenya.

5.2. Summary of the findings
A person’s culture strongly influences his or her beliefs about how the world works and how people should interact, also values – what people consider most important such as family or personal life, religion and career which influences their performance in workplace and in turn affect the performance of the organization.

Behaviour is the language of international business. People put much greater store on a hand shake, on friendship and even small expression matters a lot and one need to cooperate culture that is open and sympathetic, that is, tolerant of different cultures. Also, an organization can reap the benefits promised by a cultural diverse workforces through fostering an inclusive environment where managers welcome the many differences that distinguish their employees. In conclusion culture influences a wide range of business activities – how to build a business relationship through communication, deliver presentations and even set business priorities.
5.3. Recommendations

The researcher recommend the following to the Barclays Bank management in order to exploit the benefits that cultural diversity brings. First, they should ensure employees understand the organizations goals, and then discuss how each person can contribute to the achievement of those objectives regardless of their cultural diversity. Secondly, human resource department need to stretch beyond usual recruiting tactics in order to find diverse and qualified candidates - they should consider using multicultural marketing approaches to identify the media through which people from different cultural groups get their information, examples of media outlets could be: ethnic radio, community newspapers and internet. Also the organization should customize performance appraisals and developmental goals to suit each employee’s unique circumstances for example during performance appraisal meeting on employee can be invited to sign up for an internal training course that helps new managers to strengthen leadership skills. Establishment of cultural mentors who can provide cultural diverse employees with instruction, coaching and development, support as they go up the ladder of their careers. Finally the bank should develop retention strategies whereby employee with diverse cultural diversity are given flexible schedule to meet their unique cultural needs, for example, attend funeral for their close relatives, attend certain community events and cultural activities or religious ceremonies.

5.4 Limitation of the study

The researcher met some challenges as he carried out the study: First, unavailability of some targeted respondent due to their busy schedules and other being on leave. Secondly, culture being a broad aspect made it hard for some respondents to answer some interview questions and even treat culture as a mere ethnic diversity. Also, the researcher
working in busy department of the bank found it a challenge to get leave on time to do his research work or even time for appointment with the respondent. Lastly, financial challenges as the research prepare, analyze and compile his research work.

5.5. Areas for further Research

On further research, the study recommend a study like this one be done in other financial institutions especially other commercial banks. Researcher recommends another study to be carried on how culture affect productivity of functional employees as this study focused on those who are on management. Also a research can be done on cultural intelligence among managers in Barclays Bank of Kenya. Finally, similar research can be done whereby the researcher change the mode of data collection from interview guide and perhaps use questionnaires then compare results with the study.
REFERENCE


APPENDIX

INTERVIEW GUIDE

1) Current job title
2) Grade level
3) Length of service.
4) Of what importance is culture in your organization?
5) How does culture govern the management of your organization?
6) Are managers in this organization trained on how to communicate and manage
cultural diverse employees?
7) Does the organization have formal cultural diversity initiatives and programs in
place?
8) Which initiatives, events, and programs has your organization participated in
regarding cultural diversity?
9) Do you feel that there are some initiatives that could be taken to make Barclays
Bank of Kenya an all inclusive cultural bank?
10) If “Yes” in above kindly list some them.
11) What does the organization do in terms of staff outreach efforts to partner with
diverse cultural workforce?
12) Is there a situation which you think that you may have treated an employee with
prejudice due to different cultural orientation?
13) If “yes” to the above, how might you have responded differently?