

**THE INFLUENCE OF EMPLOYEE ENGAGEMENT ON EMPLOYEE
PERFORMANCE AT KCB BANK LIMITED**

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DECLARATION

This research project is my original work and has not been presented for the award of any degree in any other university

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D64/6347/2017

This research project has been submitted with my approval as the university supervisor

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DEDICATION

I dedicate this research project to my family and my mother for their prayers, leadership, selflessness, support and devotion in ensuring that I pursue my education. May the Almighty God bless them with good health and peace.

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It gives me great pleasure in expressing my appreciation to all those people who have supported me and had their contributions in making this research project successful. First, I thank the Almighty God for granting me good health, protection and guiding me throughout this period. I express my deep sense of respect to my supervisor Dr Mercy Munjuri, for sharing her pearl of wisdom, knowledge, guidance and encouragement during this research. I wish to express my deep gratitude to my family, my spouse and children, for allowing me space to study and encouraging me. May the Almighty God bless you.

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LIST OF ACRONYMS AND ABBREVIATIONS

| | |
|--------------|--|
| ANOVA | Analysis of Variance |
| ATM | Automatic Teller Machine |
| CBK | Central Bank of Kenya |
| KCB | Kenya Commercial Bank |
| SDT | Self-Determination Theory |
| SPSS | Statistical Package for Social Science |
| UK | United Kingdom |

ABSTRACT

Both researchers and entrepreneurs have focused on engagement of employees since it is a pressing issue in most businesses currently. The main intention of managers is to improve performance of employees which is the basis to attaining sustainable performance, reducing turnover rates of employees and enhancing well-being of employees. The advantage of having engaged staff is that they are more proud of their work, they value it and enjoy and therefore are willing to work with each other to ensure organizational success. Also, engaged staff members are more invested in their jobs, share useful information with colleagues and are willing to stay in the organization longer. This study focused on establishing the influence of employee engagement on employee performance at KCB Bank limited. Theories that guided this study were: Self-Determination Theory, supplemented by social exchange theory and expectancy theory. To answer the research objective, the study used descriptive cross-sectional survey. Targeted population was 1000 employees working at KCB bank head office in Nairobi, KCB limited university way, Moi Avenue and Kenyatta Avenue branches. Purposive Sampling was used in selecting the sample size of the study. Out of these 1000 only the employees who have worked with KCB Bank of Kenya over three (3) years was considered. This brings the target population of 200 employees. Data collection was by use of questionnaires where quantitative information collected was analyzed using SPSS where descriptive statistics were computed and they included means, SD, frequencies and percentages. Qualitative information was also gathered and was analyzed using content analysis. The relationship between variables was determined by computing multiple regression analysis, also, through regression the study established the effect engagement of employees had on their performance. Analyzed data was presented in tables and figures. From analyzed data, physical engagement was found to help employees to pay attention on their tasks. The study established that cognitive engagement makes employees more innovative. The study found that affective engagement motivates employees to do their work better. This implies that affective engagement influences performance of employees, behavioral engagement help employees to adapt to the organization environment. The study concludes that: physical engagement is strongly related to employee performance; cognitive engagement and affective engagement are strongly related to employee performance; and behavioral engagement is significantly associated with employee performance. It was recommended ensure physical engagement through emotional commitment of the employees into the organizations goals.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Main focus of engaging employees is to ensure that the employee is motivated from within to work towards goal achievement of both the employee and the organization. Some of the features of a motivated employee is that they put extra effort, they are confident and identifies with their organization, their intention of working is to improve things, they have proper comprehension of business context, they have respect to their fellow colleagues and are always willing to help them (Robinson, Perryman & Hayday, 2014). According to Alfes (2010), employees who are engaged more tend to perform better, and tend to be innovative compared to unengaged employees, their turnover rates are low, their personal wellbeing is high and always finds their workload to be sustainable. Development of positive attitude (e.g. organizational commitment, job satisfaction, identification with employer, improved staff and organizational performance) and behavior (reduced instances of employee turnover and absenteeism) by workers and proof of trust perception, and fairness in psychological contract exchange that is positive where commitment and promises (two-way) are fulfilled are some of the signs that employee engagement is effective (Guest, 2009).

Through engagement of employees, a company can attain improved results which results in improved levels of customer satisfaction and profitability. Also, it assists in aligning objective of employees with those of the organization and motivate them to adhere to primary values of organizations, which makes it possible to define and agree with expectations in line with role responsibility and what is expected to be done, the skills needed and behavior, providing opportunities allowing identification of personal goals and development of skills as well as competencies (Armstrong, 2012). Among the many

responsibilities HR managers have, one of them is ensuring job satisfaction by employees (Kahn, 2010). There is a high possibility that improved performance will be observed among highly engaged employees which is a clear indication that performance and engagement of employees are related. Performance and engagement of employees have direct relationship which is an indication that improving engagement of employees will lead to improved levels of performance.

The theoretical foundation for this study was self-determination theory, which was augmented by expectancy and social exchange theories. The theory of Self-Determination is based on self-fulfillment and can act as theoretical framework when explaining engagement of employees (Meyer & Gagne, 2008). According to the Social exchange theory, constant interaction that takes place between parties that is reciprocally interdependent results to generation of obligations. The theory also explains that over time, there is evolvement of relationships into mutual, trusting and royal commitments as long as there is adherence to exchange rules (Croponzano & Mitchell, 2005). According to expectancy theory, what motivate actions is what an individual expects the action will result to and how attractive that outcome is to the individual. The extent to which the reward is considered to be attractive which establishes energy levels required to attain the said goal (Vroom, 1964).

In Kenya, what makes up the banking industry is non-banking financial institutions, commercial banks, central bank of Kenya, and foreign exchange bureaus. Mainly, the banking industry is famous for its contribution in employment contribution to the economy, creation of wealth and innovation (CBK, 2019). According to Ongore and Kusa (2013) the role of commercial banks in growing the economy through its role of intermediation is very

crucial because it ensures there is efficient allocation through the mobilization of resources required for productive activities. Over the years KCB bank limited has adopted a number of employee engagement in its bid to achieve the vision of becoming the leading financial institution in the region (www.kcbgroup.co.ke). Based on this backdrop the study sought to establish the influence of employee engagement on employee performance at Bank limited

1.1.1 Employee Engagement

The practice of engaging employees tend to lean more on psychological contract as compared to physical (Cook, 2014). Engagement of employees is considered to be the readiness of employees to put extra effort in the organization, their trust in the company, and its practices and also try to assist the company attain its goals and objectives. Based on existing educational literature, there are two definitions of employee engagement and they are work and individual engagement (Khan, 2010). Harnessing employees to their individual tasks is what is considered to be individual engagement. Individual engagement was also explained to have three different emotions attached to it and they were availability, meaningfulness and safety. Maslach, Schaufeli and Leiter (2011) explained occupation engagement as professional mind state that encourages and rewards and it is mainly characterized by incorporation, energy and commitment are its main characteristics.

There is great possibility that retention of employees, their level of loyalty and productivity can be affected by level of engagement. Employee engagement is also considered to be the main link with satisfaction of customers, general values of shareholders and reputation of the organization. Therefore, majority of the companies have the opinion that in dynamic free-

agent talent market, knowledge is becoming a commodity in organizations (Kroth & Keeler, 2009). It is beyond doubt that engagement of employees at all organization level is a source of sustainable competitive advantage. The best resource that a company has is its Human Resource (HR). A company can succeed if it maintains a high caliber at its workplace and is also a means through which the organization can attain competitive advantage (Schwartz, 2011).

Both academic researchers and entrepreneurs have focused on engagement of employees since it is a major challenge that is faced by current businesses. Any company has the responsibility of providing an environment that boosts individual employee potential. Failure by managers to clearly comprehend employee engagement, they won't be able to develop organizational strategies that are effective (Juan, 2010).

1.1.2 Employee Performance

Employee's ability to perform particular tasks measured in reference to set cost, accuracy, speed and completeness is defined as employee performance (Sultan, Irum, Ahmed & Mehmood, 2012). Employee performance has been defined by Bernadian *et al*, (1995) to be the task results, accomplishments made by an individual. Robinson *et al* (2004) defined employee performance to be behavior and explained that it's important to differentiate it from outcomes since system factors can lead to its contamination. Employee performance refers to plan adherence with the aim of attaining results. Companies have been forced to establish alternative ways of ensuring increased employee performance as a result of increased competition and dynamic nature of business environment. Employee performance

is the main determinant of organizational performance since they are the ones with the responsibility of service delivery to clients and also maintaining costs at its minimum.

Kotler (1997) explains that the focus of many organizations is on ways of attaining maximum levels of customer satisfaction by enhancing performance of employees as means of responding to the stiff competition observed in the market environment. Despite the main focus of performance management being evaluation of performance (Cardy, 2004) employee's individual performance is based on policies, design features and practices existing in the organization. Employee engagement is one of the strategies that fosters improved performance levels (Macey *et al.*, 2012).

Peters and Waterson (2014) held the opinion that employee performance should be directed toward the attainment of the goals of the company and should relate to the job. Employee performance in an organization is measured through employee productivity, employee performance goals and objectives, employee work attendance, service delivery, time management and employee innovativeness (Buchman *et al.*, 2013). This study measured employee performance through employee productivity, time management and attainment of performance goals and objectives.

1.1.3 The Banking Industry in Kenya

In Kenya, commercial banks play a very crucial role in economic development through its financing. Therefore, it is important to deeply understand its funding structure and this is possible through research. Over the past decade, there have been tremendous reforms observed in the Kenyan banking sector in its financing and regulations. As a result of the reforms made, the sector has observed several transformations in its structure and has

motivated foreign banks to venture the market and expand their operations in the country (Kamau, 2011). Over the past decade, there has been tremendous improvement in commercial banks financial performance; this is evident with only two banks being placed under statutory receivership of CBK, this is in comparison to 37 banks that failed between the year 1986 and 1998 (Mwega, 2011).

The banking sector in Kenya is regulated by the Central Bank of Kenya (CBK). Commercial banks are licensed and regulated under the Banking Act cap 488; deposits taking micro finance institutions are regulated under Micro Finance Act and the Forex Bureaus under the Central Bank of Kenya Act cap 491. During the quarter ended 31st March 2019, the banking sector comprised 42 commercial banks 1 mortgage finance company, 10 microfinance banks 8 representative offices of foreign banks, 86 foreign exchange bureaus, 14 money remittance providers and 2 credit reference bureaus. Out of the 42 institutions, 31 are locally owned and 11 are foreign owned. The locally owned financial institutions comprise 3 banks with significant shareholding by the Government and State Corporations, 27 commercial banks and 1 mortgage finance institution (CBK Bank Supervision Report, 2019).

Commercial Banks are further classified into three different classes depending on the market share by net asset, advances, customer deposit and pretax profits by Central Bank of Kenya. Large bank have asset size of over 15 billion shillings, medium more than 5 billion shillings and small with asset size of less than 5 billion shillings. Six banks are classified as large, fifteen as medium and 23 as small (CBK, 2019). Only nine commercial banks are listed in the Nairobi Stock Exchange (Barclays Bank, CFC Stanbic Holdings, Diamond Trust Bank,

Equity Bank, KCB, National Bank of Kenya, NIC Bank, Standard Chartered Bank and Co-operative Bank of Kenya).

1.1.4 KCB Bank Group

The history of KCB dates back to 1896 when its predecessor, the National Bank of India opened an outlet in Mombasa. Eight years later in 1904, the Bank extended its operations to Nairobi, which had become the Headquarters of the expanding railway line to Uganda. The next major change in the Bank's history came in 1958. Grindlays Bank merged with the National Bank of India to form the National and Grindlays Bank. Upon independence the Government of Kenya acquired 60% shareholding in National and Grindlays Bank in an effort to bring banking closer to the majority of Kenyans. In 1970, the Government acquired 100% of the shares to take full control of the largest commercial bank in Kenya. National and Grindlays Bank was renamed Kenya Commercial Bank (www.kcbgroup.co.ke). In the most recent rights issue, the government has gradually reduced its shareholding to 17.7% (KCB Annual Report, 2010).

In 1972, savings and loans (K) Ltd was acquired to specialize in mortgage finance. The bank has over the years expanded and opened subsidiaries in Tanzania, Uganda, Southern Sudan, Rwanda and Burundi. In May 2006, KCB extended its operations to Southern Sudan after getting a license by the bank of Southern Sudan and it operates six branches. In 2007 the group opened a branch in Kampala Uganda and has 14 branches in the country now. In 2008 it expanded to Kigali Rwanda where it operates nine branches. The bank open its first branch in Tanzania the year 2006 where it is currently operating eleven branches. In 2013 the bank extended operations to Burundi where it currently operate two branches.

The group has over 280 branded ATM machines in the country. There are plans to open branches beyond East Africa.

The asset base of KCB is above Ksh. 202 Billion. Over the years, the bank has recorded tremendous growth and has had increase in its profitability. The bank is characterized by wide correspondent relationship network and globally it has more than 200 bank branches. KCB offers a wide range of banking services that have been tailor made based customer demands and type.

The shares of KCB Group stock are traded Nairobi stock exchange, Uganda securities exchange, Rwanda stock exchange and Dar es Salaam Stock Exchange (www.kcbgroup.co.ke).

1.2 Research Problem

Both researchers and entrepreneurs have focused on engagement of employees since it is a pressing issue in most businesses currently. The main intention of managers is to improve performance of employees which is the basis to attaining sustainability, reducing turnover rates and enhancing the well-being of organizations employees (Macey & Schneider, 2016). The advantage of having engaged staff is that they are more proud of their work, they value it and enjoy and therefore are willing to work with each other to ensure organizational success. Also, LePine, Johnson and Erez (2012) explained engaged of staff members as being more invested in their tasks, sharing of useful information with coworkers and are willing to stay in the organization longer. Bloom and Michael (2012) explained that despite the fact that engagement mainly focused on programs of team building, and rewards that are non-financial, cooperation, satisfaction, involvement and commitment are seen to be related; all are seen to be proxies of employee engagement. In his study, Konard (2016) revealed that

work practices that are highly involving, techniques applied by management to engage employee efficiently receive improved performance due to enhances performance of employees. Study by Kariuki and Makori (2015) on engagement of employees was revealed to positively enhance employees' motivation towards their tasks, and their efforts at work.

KCB Bank limited has emphasized more on providing quality services to their customers but the main challenge they are facing is creating employees that are engaged and motivated to assist the organization attain its objective. In order to a bank to achieve their goals, employees play a very crucial role and therefore, bank managers should seriously consider employee engagement since it relates with work performance and service quality. KCB bank Limited has not yet determined its levels of employee engagement. KCB bank limited hasn't used employee engagement as a strategy for driving organizational improvements (KCB Annual Report, 2018). Most of the organizations resources have been directed towards training of managers, conducting surveys pertaining customer satisfaction, motivation levels, and programs on change management as they focus on attaining improved levels of organizational performance (KCB Annual Report, 2018). Majority researchers have overlooked the aspect of employee engagement and therefore this study focused on determining the effect engagement of employees have on performance of employees.

Tepayakul and Rinthaisong (2018) did a study on job satisfaction and employee engagement among human resources staff of Thai private higher education institutions and the study revealed that there is a positive direct effect of job satisfaction on employee engagement. Abdulwahab and Shmailan (2015) studied the relationship between job satisfaction, job performance and employee engagement in Canada: An explorative study and the study

revealed that there is a link between employee satisfaction, performance and employee engagement. Mulliner (2018) conducted a study on employee engagement, motivation, resilience and leadership an exploration of relationships within a higher education institution in United Kingdom and found that motivation, resilience, engagement and leadership all interrelate; but that leadership interrelated with the other concepts to a lesser extent. Otieno, Waiganjo and Njeru (2015) studied the effect of employee engagement on organisation performance in Kenya's horticultural sector and found that employee engagement is a major determinant of organization performance in the horticultural sector in Kenya. Mwirigi (2014) did a study on perceived relationship between employee engagement and employee performance in Kenya medical training college headquarters and the study found that involving employees in making decisions at workplace increases employee engagement and performance.

Engagement of employees is very important towards employee performance; despite its significant importance, little empirical evidence exists on the effect engagement has on employee performance in relation to Kenya's commercial banks. The focus of this research was therefore to fill the gap by researching on: does employee engagement influence employee performance at KCB Bank limited?

1.3 Research Objective

The objective of the study was to establish the influence of employee engagement on employee performance at KCB Bank limited

1.4 Value of the Study

This study is of importance to the body of knowledge since it adds to existing literature regarding the effects engagement of employees have on performance of employees. The findings provides basis for future studies and provide literature to future study. The study findings would validate the application of Self-Determination Theory, social exchange theory and expectancy theory in relation to effect engagement of employees has on their performance.

Management of KCB Bank and human resource professionals will benefit from the findings of this study in understanding how employee engagement influence employee performance, this may assist them in designing appropriate strategies that would aim at enhancing employee engagement thus improving employee performance and enhancing organization practices that leads to more engaged staff.

Results of the study are of importance to policy maker as it guides them in clearly understanding the effects engagement of employees has on employee performance, this would assist them in designing appropriate policies to guide organizations practice of employee engagement. Also policy makers will benefit since it will guide them in developing better ways and policies enhancing employee engagement in the banking sector, this would help in improving employee performance in Kenya's banking sector.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature on the influence of employee engagement on employee performance at KCB Bank limited. It covers the theoretical foundation of the study, employee engagement, employee performance and influence of employee engagement on employee performance.

2.2 Theoretical Foundation of the Study

This study was anchored on Self Determination Theory, supplemented by social exchange theory and expectancy theory as it seeks to establish the influence of employee engagement on employee performance at KCB bank Limited.

2.2.1 Self-Determination Theory

The Self Determination Theory(SDT) was pioneered by Meyer and Gagne (2008), as a need fulfillment based theory of motivation that provide a theoretical framework for employee engagement. The fulfillment of the three key psychological needs; autonomy, competence, and relatedness, in the work setting may be what leads to increased levels of employee engagement as posited by SDT. The theory was initially developed by Edward L. Deci and Richard M. Ryan in 1985 and has been elaborated and refined by scholars from many countries.SDT suggests that people tend to be driven by a need to grow and gain fulfillment. While people are often motivated to act by external rewards, SDT focuses primarily on internal sources of motivation such as a need to gain knowledge. According to SDT, people need to feel the followingi in order to achieve such psychological growth: People need to gain mastery of tasks and learn different skills; People need to experience a sense of

belonging and attachment to other people; People need to feel in control of their own behaviors and goals.

According to SDT, one of the dispositional factors related to needs satisfaction and autonomous regulation and therefore likely to contribute to engagement is the general causality orientation a stable tendency to self regulate and seek out situations that value congruent and support self initiation. General causality orientation might be a factor for organizations to consider in the selection process as part of a general strategy to promote higher levels of employee engagement. Selection practices alone may not be enough in ensuring high levels of engagement. According to SDT job design, management practices and reward systems play an important role in satisfying employee needs and promoting autonomous regulation (Gagne & Deci, 2005). More stimulating and meaningful job designs are associated with employee satisfaction. Manager's acknowledgement of employees and provision of relevant feedback in non controlling manner can increase autonomous regulation.

2.2.2 Social Exchange Theory

The Social exchange theory (SET) is among the most influential conceptual paradigms for understanding workplace behaviour (Croponzano & Mitchell 2005). The theory has its roots in the anthropological works by Malinowski. It was popularized by Blaus (1964) who differentiated between economic and social exchange and therefore credited as the founder of the social exchange theory. The theory has been advanced by other researchers such as;

Das and Teng (2002) who introduced alliance building which are self-centered into the theory Similarly, Globerman and Nielsen (2007) introduced trust as the cornerstone of interacting between parties into the theory.

The social exchange theory was initially developed to analyse people's social behaviour in terms of exchange of resource. Eisenberger, Armeli, Rexwinkel, Lynch and Rhoades (2001) posited that employees' feeling an obligation at work is important as it compels them to repay advantageous treatment received from employer. Perceived organisational support concern the extent to which employees perceive that their contributions are valued by the organisation Justice at workplace is perceived as creating conditions necessary for employee engagement. Cropanzano and Mitchell (2005) posited that greater justice perception is related to employees performing effectively and contributing to organisational success. Engaged employees invest time and energy in the belief that their investment will be rewarded in a meaningful way. Therefore, SET is an important theory to anchor on the influence of employee engagement on employee performance at KCB bank limited.

2.2.3 Expectancy Theory

The expectancy theory was developed by Vroom (1964) who posited that the tendency to act in certain way depends on the strength of an expectation that an act will be followed by a given outcome and on the attractiveness of that outcome to the individual. If an outcome is favorable, this will lead to a behavior being repeated while unfavorable outcomes lead to avoidance of such an action (Robbins, 1991). Individuals will be motivated when their efforts results in desirable outcomes (Denhardt, 2008). The attractiveness of the reward to the individual determines how much energy is expended in achieving the goals. Individual must

know in an unambiguous way what is expected to achieve the goal. Further, one assesses the probability of achieving the goal to determine whether it's worth pursuing (Robins, 1990).

The expectancy theory was refined by Porter and Lawler (1968) who posited that over and above expectation, ability and role clarity are important factors and ought to be taken into account. Using the expectancy view, managers should choose appropriate reward of value for different groups of workers if they hope to make employees committed to the organization and its mission and vision. Commitment of each worker depends on what they consider to be the benefits of their continued stay in the organization. Researchers have posited that the strength of expectancy theory lies with taking in to account individual differences in behaviour and motivation (Buchanan & Huczynisk, 2004). This study therefore applied the use of expectancy theory in establishing the influence engagement of employees had on performance of employees in Kenya Commercial Bank.

2.3 Dimensions of Employee Engagement

As the organization's social impacts on society depend upon employee engagement in the organizational objectives. The relationship among workers is also of great importance for the purpose of creating work environment that can be regarded as being productive. Involvement of employees in the process of making decisions is very important as their concerns about the employee welfare and organizational impacts on social lives of employees, which could enhance the employee's job satisfaction and engagements with organizational commitments (Gruman & Saks, 2011). According to Gallup (2010) there are several dimensions to engagement and employers must clearly understand the various

forms of engagement in their business. There are four main employee engagement dimensions which are physical, cognitive, affective and behavioral.

2.3.1 Physical Engagement

Employee exertion of efforts in their work is clear manifestation of physical engagement dimension. When conceptualizing energy exertion in one's role capturing Khan's physical dimension it is said to be effort. Direction, duration and intensity have been found to relate with effort (Fletcher, 2013). Aside from the physical energy an individual applies physical engagement, it also involves the frequency/intensity of effort and energy an individual expends at work. As a result, the aspect of being bodily involved in tasks, company activities or objectives by using one's energy and effort in executing and competing tasks, activities and objectives can be said to be physical work engagement (Bakker & Leiter, 2010). Khan (2010) elaborated that when individuals are engaged in a role, they tend to physically employ and express themselves.

2.3.2 Cognitive Engagement

The investment of individual energy into cognitive labor manifests itself through employee engagement dimension of cognitive engagement (Khan, 2010). Gallup (2010) indicated that cognitive engagement is the comprehension of an individual regarding the role they perform in reference to objectives and goals of the organization. Based on research, there are two ways through which research is manifested; absorption and attention (Rothbard, 2011). Brewster (2017) posit that employees cognitive engagement in supporting and understanding strategies of a company and the direction taken by the company is important in ensuring effective engagement this is mainly because it drives organizations financial performance.

An employee understanding ways they can contribute towards strategic goals of an organization have a greater likelihood of feeling a sense of belonging. Business needs for maximizing employee inputs have also enhanced interests on engagement aspects.

2.3.3 Affective Engagement

Engagement of employees in their tasks and exhibition of behaviors indicating their investments in emotions and energies is the affective dimension of engagement. According to Sandeep (2008) high personal energies investment in performance of tasks greatly involves emotions and it is at this level that the presence of individuals in their tasks is full and this is via the emotional connection existing between them and their tasks. Kahn (2010) also explained that people showed work engagement whenever they were immersed emotionally into activities. Most of the time, individual's work experience results from the hostility, pride and enthusiasm feelings. Welbourne (2007) suggested that a company has the ability of improving employee engagement levels if they focus on behaviors exhibited. Any form of engagement applied focuses on improving performance of the organization and in the process performance of individual employee is also improved. Any model of performance that is based on role and starts by focusing on the goal it wants to achieve assists it in identifying forms of behaviors required from its employees to achieve the set goal.

2.3.4 Behavioral Engagement

The behavioural component refers to the number of effort put to work by employees and they include their energy, extra time and brain power (Saks, 2008). According to the definition of behavioral engagement by Macey and Schneider (2008), it is the adaptive behavior whose purpose is to serve the purpose of the organization (p.18). This engagement dimension in

work context is considered to be directly observable and is inclusive of initiative, innovative and proactive behavior and goes beyond and above what might have been the expectation. Maslach and Leiter (2008); Saks, (2008) warned on the idea of discretionary effort, and their argument was that behavioural engagement is the extent of vigilance, and conclusiveness in which employees are able to express themselves in regard to their tasks and are present psychologically and not the notion of performing past the expected. Kahn (2010) emphasized on modern organization's adaptive requirements and explained employee engagement to be those with the ability of adapting, coping with transformation and taking initiatives.

2.4 Measures of Employee Performance

Armstrong (2010) explained that behaviors as well as results are the main drivers of employee performance. The performer is the source of behavior and is also the one responsible for transforming performance from abstract to action. Aside from behavior being a result instrument, it is also in its own way an outcome from physical and mental efforts applied in task performance. Performance of employees involves the real results observed from an employee and its measure is against the goal intended (Cheruiyot & Kwasira, 2013). Kenney (2012) explained that performance of an employee is determined against the set standards by the company.

Each company expects some level of performance from its employees. Employees are considered to be good performers if their performance meets the set goals and standards of the organization allowing the company attain its set expectations. Performance can also be considered to be the reflection of the desired quality by a firm which is reflected by effectiveness in presentation and administration of employee's tasks. Dessler (2011) explained performance of an employee to be measurable behavior of an individual which is

of relevance in attaining organizations goals. Performance of employees is more than individual factors and is inclusive of external factors which include work environment and motivation through rewards. There are four dimensions that measure performance; quality, work knowledge, quantity, and dependability (Mazin 2010).

Cole (2014) explained that determination of employee performance is done in reference to organizations set standards. The act of achieving specific tasks measured in reference to already set standards of accuracy, speed, completeness and cost is said to be performance.

Apiah *et al*, (2010) asserts that during performance reviews of tasks, performance of employees is determined. Those activities that don't contribute towards technical core but are important in supporting social, organizational and psychological environment facilitating goals of the organization are undertaken is termed as contextual performance (Lovell, 2011).

There are individual variables applied in predicting contextual performance. They are inclusive of behaviors establishing social as well as physiological context of organizations and assists employees in performing tasks or core technical (Buchman *et al*, 2013).

Whenever performance levels are low and the set goals are not achieved, the experience could not be satisfying and could be considered as being personal failure. In organizations, there is a high likelihood for high performers to be promoted and their career opportunities are better as compared to those of low performers (Sabwami, 2014). Baloch *et al*, (2010), provided measures on effects of three practices of HR; compensation and reward practices, performance evaluation, and training practices on perceived performance of employees. From correlation findings, performance of employees and the selected practices were found to be significantly related. Based on globalization trend combined with uncertainty clouding improvements in global economy in employee performance and productivity, results

established that hospitals in the counties had skills, competencies and knowledge and the needed qualifications required for planning and execution of strategies (Ismail, *et al.*, 2014). For the organization to succeed, it depended on the productivity level of employees, (Mazin 2010) and the ability of the hospital to pre-determine the needs of the institution, needs of health employees more so high performers who are main contributors towards sustainable competitive advantage (Majid, 2015).

2.5 Employee Engagement and Employee Performance

Azizah and Gustomo (2015) studied the impacts of engagement of employees has on performance of employees; the study was carried out at PT Telkom Bandung and the results established the drivers of employee engagement were equipment and material, individuals who care at work, opportunities for doing the best, partners whose focus is quality. Al-dalahmeh, Masa'deh, Khalaf and Obeidat (2018) studied impacts engagement of employees had on performance having satisfaction as mediating variable: the study was conducted in the banking industry in Jordan and the focus was on IT employees. Engagement of the employees was revealed to have a significant influence on satisfaction and vigor was also a great contributor. Additionally, job satisfaction significantly and positively influenced performance of the selected banks.

Sendawula (2018) study on training, engagement of employees and their performance: case of health industry in Uganda and the findings revealed that engagement and performance had positive and significant relationship. Umer (2017) studied impacts engagement of employees had on job performance. The stud was carried out among private banks in Ethiopia. Engagement of employees was found to positively impact performance of tasks.

Tarus (2014) researched on the perceived link existing between engagement of employees and their performance; a case of EAPC and found that employees 'coworkers had commitment to performing quality work, that they were proud of the work that they performed and that they worked for many years in the company. Mwirigi (2014) did a study on perceived link existing between engagement of employees and their performance a case of KMTC main campus. Employees were found to respect gender and national diversity, work as a team, focus on citizens/customers and professionally perform duties and responsibilities. Also, it was established that performance targets are not always achieved, there is poor management of time and also there is poor innovativeness as well as creativeness. Engagement of employees and their performance was found to be positively and strongly related.

In conclusion, there is lack of extensive studies on employee engagement and ways in which they affect performance of employees among Kenya's banking sector. Mutunga (2009) failed to link factors contributing to engagement of employees with employee performance in the organization of study. Various studies by Gallup have been extensively carried out in countries that are developed, for example North America and UK and other non-African countries. Despite the study conducted by Gallup establishing that engagement of employee and performance being positively correlated, it was also determined that levels of employee engagement were very low. Because engagement levels are low, this study is worth being conducted. This study therefore purposed to fill the gap in research by studying the influence of employee engagement has on employee performance at KCB Bank Limited.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology which was used to carry out the study. It further describes the type and source of data, the target population and sampling methods and the techniques that was used to select the sample size. It also describes how data was collected and analysed.

3.2 Research Design

A plan that is applied in the selection of information source and type that should be applied in investigating the research problem is termed as a research design (Kerlinger, 2007). Descriptive cross-sectional survey was applied in this study. Any form of cross-sectional study is conducted once (Cooper & Schindler, 2006). When a descriptive cross sectional design is applied, data is collected by asking questions to the selected sample using standard procedures of questioning with the aim is studying the link existing between variables at some point in time (Saunders *et al*, 2007). The research design was considered appropriate since the focus was to determine the effect engagement of employees had on KCB limited employee performance.

3.3 Target Population

Group of elements, events, people or subjects under investigation are defined as target population (Ngechu, 2004). In this study all employees at KCB bank limited Head office in Nairobi County, KCB limited university way, Moi Avenue and Kenyatta Avenue branches formed the target population. According to a report by KCB Limited (2018) the organization has 1000 employees at their head office and in the KCB limited university way, Moi Avenue

and Kenyatta Avenue branches. Thus, targeted population was 1000 employees who worked at KCB bank head office in Nairobi, KCB limited university way, Moi Avenue and Kenyatta Avenue branches, as presented in Table 3.1.

Table 3.1: Target Population

| Department | Population |
|-------------------------------|-------------------|
| Human Resource department | 40 |
| Administration Department | 47 |
| Finance Department | 30 |
| IT department | 92 |
| Retail head office department | 88 |
| Customer service department | 82 |
| Operations | 149 |
| Marketing Department | 154 |
| Credit Department | 115 |
| KCB capital | 57 |
| KCB bank assurance | 50 |
| Legal department | 96 |
| Total | 1000 |

3.4 Sampling Design

Yin (2013) explains that sampling is the procedure of selecting a small group of elements that represents the entire population. Best (2011) defines a sample to be the subset of the target population and is usually selected for the purpose of data collection and analysis. Selection of study's sample size was through the application of purposive sampling. Out of these 1000 only the employees who have worked with KCB Bank of Kenya over three (3) years was considered. This brings the target population of 200 employees as contained in Table 3.2.

Table 3.2: Sample Size

| Department | Population | Sample |
|-------------------------------|-------------------|---------------|
| Human Resource department | 40 | 8 |
| Administration Department | 47 | 9 |
| Finance Department | 30 | 6 |
| IT department | 92 | 18 |
| Retail head office department | 88 | 18 |
| Customer service department | 82 | 16 |
| Operations | 149 | 30 |
| Marketing Department | 154 | 31 |
| Credit Department | 115 | 23 |
| KCB capital | 57 | 11 |
| KCB bank assurance | 50 | 10 |
| Legal department | 96 | 19 |
| Total | 1000 | 200 |

3.5 Data Collection Instruments

Questionnaire was the selected data collection tool. Questionnaire used had two sections; first section addressed the demographic information; the second part addressed factors affecting employee induction process. The questionnaire was semi structured questionnaire that consisted five Point Likert scale statements. The study selected questionnaires because according to Cooper and Schindler (2011) it is an effective instrument for collecting data since respondents can give their opinions concerning the problem under investigation (Cox, 2010). Researcher administered the questionnaire to the respondents and they were self-administered. Researcher also ensured that the response rate was high by following up with respondents on filling of the questionnaire.

3.6 Data Analysis and Presentation

Quantitative data collected was analyzed by the use of descriptive statistics using SPSS (version 23) and presented through percentages, means, standard deviations and frequencies. Descriptive statistics such as frequencies, percentage, means and standard deviations was used to analyse the data. Data was processed using the Statistical Package for Social Science (SPSS) computer software version 23.0. Content analysis was used to test data that is qualitative in nature or aspect of the data collected from the open ended questions. Multiple regressions was done to establish the influence of employee engagement on employee performance at KCB Bank limited. Data was presented using tables, and pie charts to make them reader friendly. In addition, regression analysis was done to establish the influence of employee engagement on employee performance guided by the following model:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Y is the response variable employee performance

X_1 is employee Engagement

β_0 is the constant

β_1 is the coefficient for the independent variable ε is the error term.

CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND DISCUSSION

4.1 Introduction

This chapter is discussion on data analysis, interpretation and discussions on study findings based on data collected from the field. The chapter present data on demographic information of the respondents and results based on study objectives. The study used both descriptive and differential methods of analysis.

4.2 Response Rate

The selected sample was 200 employees at KCB bank limited who were all issued with questionnaires. Out of 200 only 182 respondents filled their questionnaires and returned; forming a return rate of 91% as presented in Table 4.1. Based on explanation of Mugenda and Mugenda (2003) a return rate of +50% is adequate while 70% or more is excellent. Therefore, 91% rate of response was excellent and was used for analysis.

Table 4.1: Response Rate

| Questionnaires | Frequency | Percent |
|-----------------------|------------------|----------------|
| Returned | 182 | 91.0 |
| Unreturned | 18 | 9.0 |
| Total | 200 | 100.00 |

4.3 Demographic Information

In this section, the general information of respondents is presented. The information sought included gender, age, educational qualification and length of service in organization. Results were as presented herein.

4.3.1 Gender of Respondents

Determining gender distribution guided the researcher in determining whether KCB bank was gender biased in selecting their employees. Figure 4.1 presents the results indicated by respondents regarding their gender.

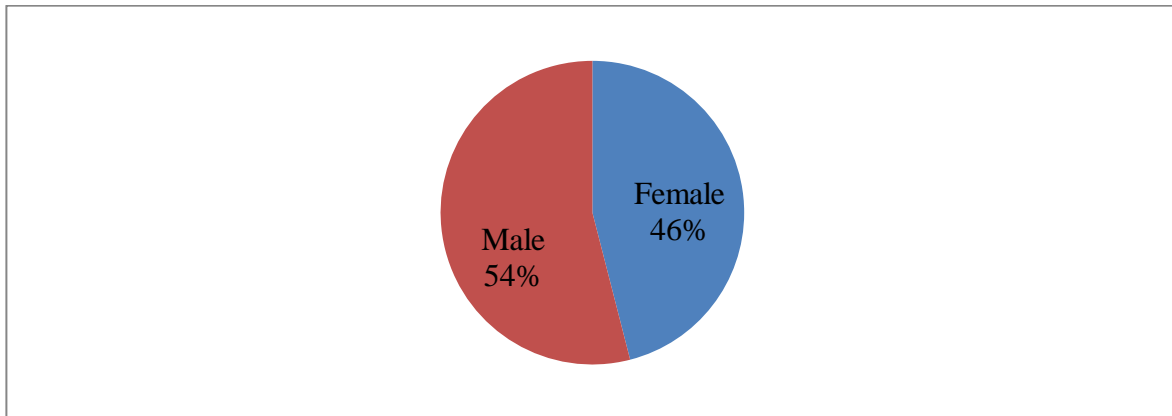


Figure 4.1: Gender of Respondents

Majority (54%) of the respondents selected were male while 46% were female as shown in figure 4.1. These findings suggest that the study was not gender biased because the study involved both male and female. This also implies that KCB limited consider both male and female when hiring and they are not gender biased.

4.3.2 Age of Respondents

Determining age of respondents helped in determining age diversity among employees of Kenya Commercial Bank under investigation. Figure 4.2 presents the results from the responses respondents gave pertaining the age bracket they were in.

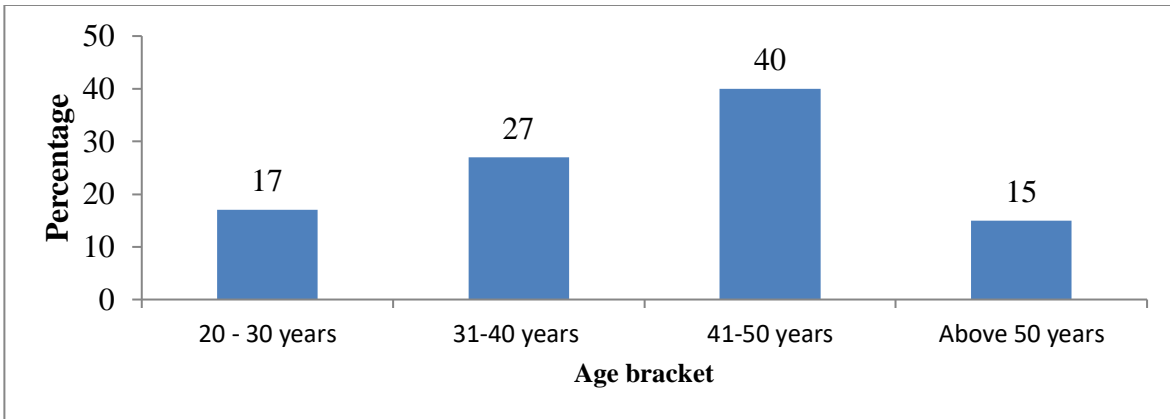


Figure 4.2: Age of Respondents

From the findings, 40% respondents indicated their age bracket as 41 to 50 years, 27% indicated 31 to 40 years, 17% belonged to 20 to 30 years age bracket and 15% were above 50 years. This is an indication that employees at KCB limited are of different age groups most of which belonged to the 41 to 50 age bracket.

4.3.3 Respondents Level of Education

Education level of respondents informed on how they understood the questionnaire and whether information provided was relevant and whether they had attained skills that positioned them in their various positions. Findings were as presented in Figure 4.3

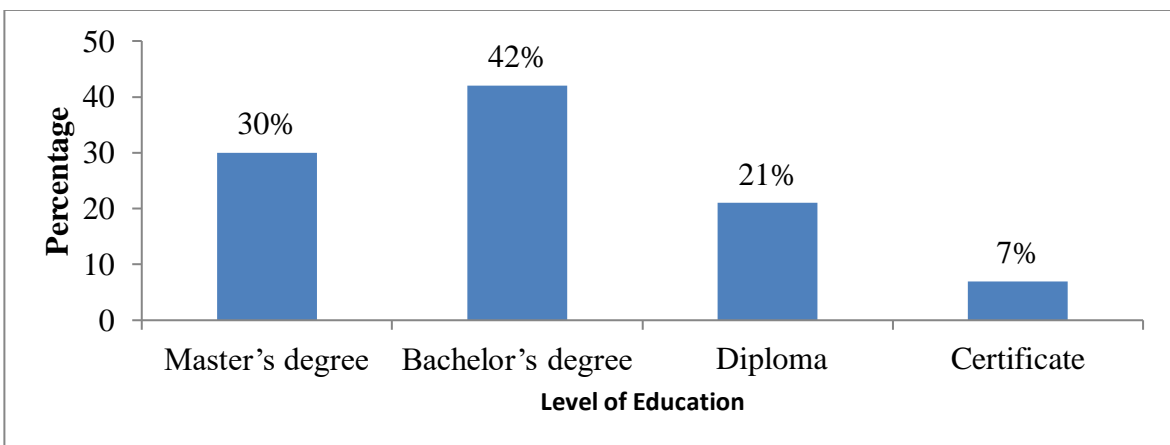


Figure 4.3: Respondents Level of Education

From the results, 42% of the respondents has bachelor's degree, 30% had Master's degree, 21% had diploma and 7% had certificate. Therefore, all respondents had some educational qualifications which they attained at different levels of education. Also, the level of education attained by respondents enabled them to understand the questionnaire and provide appropriate responses.

4.3.4 Length of Service in the Organization

Determining working experience of respondents informed on how conversant the respondents selected were with the organization and their ability to provide the information required by the study. Figure 4.4 presents respondents responses on their work experience with the company.

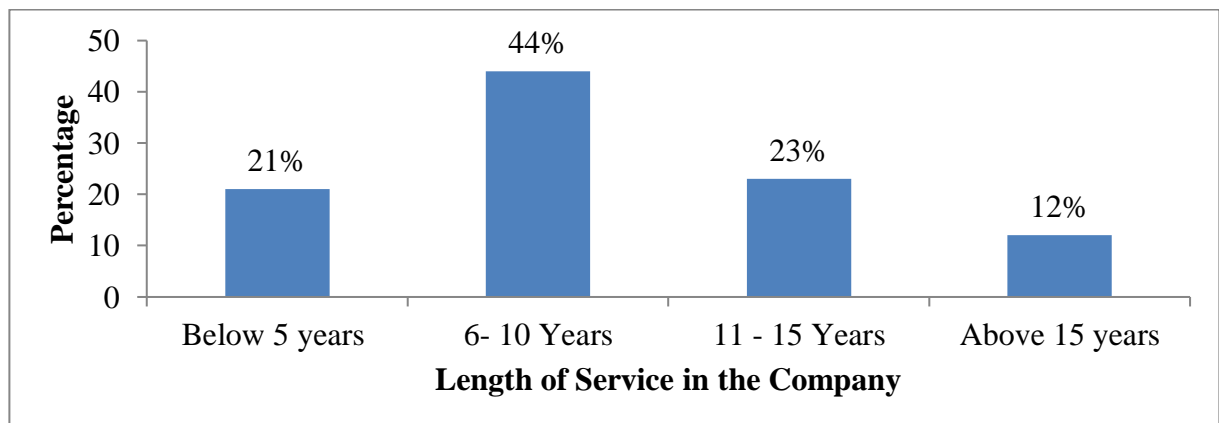


Figure 4.4: Length of Service in the Organization

Results presented in figure 4.4 show that majority (44%) of the respondents have worked for 6 to 10 years in the organization, 13% had working experience of 11 to 15 years, 21% for below 5 years and 12% for above 15 years. Therefore, majority of KCB limited employees have served for 6 to 10 years. Therefore the selected respondents had some level of experience working with the organization and therefore were equipped with the information needed.

4.4 Employee Engagement

The study aim was to establish the influence of employee engagement on employee performance at KCB Bank limited; Scale: 1=Strongly disagree 2=Disagree 3=Moderate 4=Agree 5=Strongly agree. Table 4.2 shows the results provided by respondents.

Table 4.2: Employee Engagement

| Statements | 1 | 2 | 3 | 4 | 5 | Mean | Std. Dev |
|--|----|----|----|-----|----|-------|----------|
| Physical engagement | | | | | | | |
| I am able to achieve my roles at the required time | 8 | 13 | 25 | 96 | 40 | 3.808 | 0.859 |
| I focus my attention on my work hence minimizing mistakes | 9 | 11 | 23 | 105 | 34 | 3.791 | 0.933 |
| My supervisor advices on work focus to minimize mistakes | 7 | 15 | 19 | 88 | 53 | 3.907 | 0.857 |
| Cognitive engagement | | | | | | | |
| I seek novel solutions to the problems I face at work | 10 | 15 | 24 | 101 | 32 | 3.714 | 0.884 |
| I am able to adopt to different organization changes | 12 | 19 | 32 | 78 | 41 | 3.643 | 0.685 |
| Engagement makes me more innovative | 9 | 14 | 18 | 113 | 28 | 3.753 | 1.007 |
| Affective engagement | | | | | | | |
| I can do some good work because I am motivated | 5 | 12 | 21 | 99 | 45 | 3.918 | 0.913 |
| With the help of my supervisor, I learn new ways of accomplishing tasks | 8 | 15 | 27 | 76 | 56 | 3.863 | 0.775 |
| Because I am determined to improve my results I develop new ways of performing tasks | 6 | 11 | 24 | 102 | 39 | 3.863 | 0.917 |
| Behavioral engagement | | | | | | | |
| My managers encourages individuals to work as a large team to achieve organizational | 10 | 18 | 22 | 96 | 36 | 3.714 | 0.843 |
| I get help in areas where I face problems in my job | 13 | 17 | 20 | 91 | 41 | 3.714 | 0.815 |
| I adopt very well in any new roles given to me | 11 | 15 | 18 | 87 | 51 | 3.835 | 0.836 |

4.4.1 Physical Engagement

Regarding physical engagement, respondents agreed that supervisors advise employee on work focus to minimize mistakes (M=3.907; SD=0.857); employees are able to achieve my roles at the required time (M=3.808; SD=0.859); employee focus attention on their work hence minimizing mistakes (M=3.791; SD=0.933). The findings agree with Bakker and Leiter (2010) that the aspect of being bodily involved in tasks, company activities or objectives by using one's energy and effort in executing and competing tasks, activities and objectives can be said to be physical work engagement. Khan (2010) elaborated that engagement of individuals on various roles tend to physically express themselves.

4.4.2 Cognitive Engagement

Regarding cognitive engagement, in Table 4.2 employees concurred that employee engagement makes them more innovative (M=3.753, SD=1.007); employee seek novel solutions to the problems they face at work (M=3.714, SD=0.884) and employee are able to adopt to different organization changes (M=3.643, SD=0.685). These findings agree with Brewster (2017) who posits that employee's cognitive engagement in supporting and understanding strategies of a company and the direction taken by the company is important in ensuring effective engagement this is mainly because it drives organizations financial performance. An employee understanding ways they can contribute towards strategic goals of an organization have a greater likelihood of feeling a sense of belonging.

4.4.3 Affective Engagement

Regarding findings on affective engagement in table 4.2, respondents agreed that employees feel motivated to do a good job (M=3.918, SD=0.913); supervisors assist employees in

devising ways of doing their work assignments ($M=3.863$, $SD=0.775$) and employees devise new ways of doing tasks for better results ($M=3.863$, $SD=0.917$). The findings agree with Welbourne (2007) who suggested that a company has the ability of improving employee engagement if they focus on behaviors exhibited. Any type of engagement that is applied in an organization focuses on improving performance of the organization and in the process the performance of individual performance is also improved. Any model of performance that is based on role and starts by focusing on the goal it wants to achieve assists it in identifying forms of behaviors required from its employees to achieve the set goal.

4.4.4 Behavioral Engagement

Regarding results on behavioral engagement in Table 4.2 respondents were in agreement that employee adopt very well in any new roles given ($M=3.835$, $SD=0.836$); managers encourages individuals to work as a large team to achieve organizational ($M=3.714$, $SD=0.843$) and employee get help in areas where they face problems in my job ($M=3.714$, $SD=0.815$). The findings concur with Maslach and Leiter (2008) who warned on the idea of discretionary effort, and their argument was that behavioural engagement is the extent of vigilance, and conclusiveness in which employees are able to express themselves in regard to their tasks and are present psychologically and not the notion of performing past the expected. Kahn (2010) emphasized on modern organization's adaptive requirements and explained employee engagement to be those with the ability of adapting, coping with transformation and taking initiatives which concurs with the findings of this study.

4.5 Employee Performance

Respondents were requested to indicate the level at which they agree with the following statements about employee performance at KCB Bank limited. Where: 1=Strongly disagree 2=Disagree 3=Moderate 4=Agree 5=Strongly. The findings were as presented in Table 4.3

Table 4.3: Employee Performance

| Statements | 1 | 2 | 3 | 4 | 5 | Mean | Std. Dev |
|--|----|----|----|-----|----|-------|----------|
| I complete my tasks within the set period of time | 10 | 12 | 18 | 90 | 52 | 3.890 | 0.871 |
| My work results have improved in the last 5 years | 5 | 18 | 24 | 79 | 56 | 3.896 | 0.797 |
| I deliver quality work | 8 | 13 | 14 | 87 | 60 | 3.978 | 0.906 |
| My productivity has improved in the last 5 years | 9 | 16 | 16 | 112 | 29 | 3.747 | 0.999 |
| I am very efficient when undertaking my tasks | 6 | 10 | 15 | 104 | 47 | 3.967 | 0.977 |
| I experience minimal work problems | 16 | 20 | 27 | 88 | 31 | 3.538 | 0.744 |
| I rarely make mistakes while performing my duties | 11 | 14 | 23 | 93 | 41 | 3.764 | 0.834 |
| I am able to meet the organization performance expectations | 9 | 15 | 19 | 105 | 34 | 3.769 | 0.933 |
| I understand my goals very well so am able to achieve them | 12 | 20 | 22 | 78 | 50 | 3.736 | 0.745 |
| I have a cordial working relationship with my colleagues at the bank | 7 | 11 | 17 | 98 | 49 | 3.940 | 0.928 |
| I am always punctual in completing my tasks within stipulated time | 5 | 9 | 18 | 127 | 23 | 3.846 | 1.154 |
| I plan my work so well so as to achieve my set targets | 10 | 14 | 16 | 113 | 29 | 3.753 | 1.010 |

Results in table 4.3 show respondents agreeing that employee deliver quality work (M=3.978, SD=0.906); they are very efficient when undertaking tasks (M=3.967, SD=0.977); they have a cordial working relationship with colleagues at work (M=3.940, SD=0.928); their work results have improved in the last 5 years (M=3.896, SD=0.797); they

have the ability to complete tasks at the set time lines (M=3.846, SD=1.154); they are able to meet the organization performance expectations (M=3.769, SD=0.933); they rarely make mistakes while performing my duties (M=3.764, SD=0.834); they plan their work so well so as to achieve set targets (M=3.753, SD=1.010); their productivity has improved in the last 5 years (M=3.747, SD=0.999); they understand my goals very well so am able to achieve them (M=3.736, SD=0.745) and they experience minimal work problems (M=3.538, SD=0.744).

These findings agree with Kenney (2012) who noted that explained that performance of an employee is determined against the set standards by the company. Each company expects some level of performance from its employees. Employees are considered to be good performs whenever they perform to the set standards allowing the company to attain its set expectations. Performance can also be considered to be the reflection of the desired quality by a firm which is reflected by effectiveness in presentation and administration of employee's tasks. Dessler (2011) explained performance of an employee to be measurable behavior of an individual which is of relevance in attaining organizations goals which agrees with the findings obtained. The study also concurs with Mazin (2010) that performance of employees is more than individual factors and is inclusive of external factors which include work environment and motivation through rewards. There are four dimensions that measure performance; quality, work knowledge, quantity, and dependability.

4.6 Regression Analysis

Regression analysis was applied in establishing the influence of employee engagement on employee performance at KCB Bank limited. The following regression model guided the analysis $Y = \beta_0 + \beta_1 X_1 + \varepsilon$ where Y is the response variable employee performance; X_1 is

employee Engagement; β_0 is the constant; β_1 is the coefficient for the independent variable ϵ is the error term. The findings were as presented in the following tables.

4.6.1 Model Summary

Model summary is used in analysing changes of the dependent variable because of changes in independent variables. In this study, variation of employee performance due to changes in employee engagement examined. The results were as presented in Table 4.4.

Table 4.4: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .799 ^a | 0.638 | 0.634 | 0.10613 |

The value of adjusted R^2 (0.634) suggest that 63.4% variation in employee performance can be attributed to changes in employee engagement. The remaining 36.6% suggest that there are other factors that affect employee performance that were not part of this model. R is correlation coefficient showing relationship strength between variables used in the study. The study variables were strongly related as shown by R value is 0.799.

4.6.2 Analysis of Variance

ANOVA is used in determining whether the model obtained is significant. 0.05 was the selected level of significance used in this study.

Table 4.5: Analysis of Variance

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|--------------|----------------|------------|-------------|--------|-------------------|
| 1 | Regression | 11.064 | 1 | 11.064 | 25.415 | .001 ^b |
| | Residual | 78.36 | 180 | 0.435 | | |
| | Total | 89.424 | 181 | | | |

F critical value is obtained from the F distribution table and the relationship is considered to be significant if the p value obtained from the ANOVA table is less or equal to (\leq) 0.05. From the findings, the F calculated value (25.415) is greater than F critical value (3.893); this was an indication that forms of employee engagement had a significant influence on employee performance. From the findings in table 4.5, the p value (0.000) is less than the selected level of significance (0.05) an indication that the regression model was significant.

4.6.3 Beta Coefficients of the Study Variable

The beta coefficients were computed and then fitted to the regression model. The regression model was:

$$Y = 0.802 + 0.799X + E$$

Table 4.6: Coefficients

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---------------------|-----------------------------|------------|---------------------------|-------|-------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | 0.802 | 0.125 | | 6.416 | 0.000 |
| Employee engagement | 0.799 | 0.103 | 0.496 | 7.757 | 0.002 |

a. Dependent Variable: Employee performance

From the findings, employee engagement had a positive influence on employee performance at KCB bank limited ($\beta=0.799$). Employee engagement had a significant influence on employee performance since the p-value (0.002) was less than 0.05 which was the selected significance level. Therefore a unit increase in employee engagement will lead to an increase in employee performance at KCB bank limited by 0.634 units.

4.7 Discussion of Findings

This section discusses the findings from the analyzed data. The discussions are on employee engagement and employee performance.

4.7.1 Employee Engagement

Physical engagement has enabled employee to get advice from their supervisors to minimize mistakes; this has enabled them to achieve their tasks at the required time; and focus attention on their work. The findings agree with Bakker and Leiter (2010) that the aspect of being bodily involved in tasks, company activities or objectives by using one's energy and effort in executing and competing tasks, activities and objectives can be said to be physical work engagement. Khan (2010) elaborated that engagement of individuals on various roles tend to physically express themselves.

The study established that cognitive engagement improves employee innovativeness, helps them to seek novel solutions to the problems they face at work and enables employees to adopt to different organization changes. These findings agree with Brewster (2017) who posits that employee's cognitive engagement in supporting and understanding strategies of a company and the direction taken by the company is important in ensuring effective engagement this is mainly because it drives organizations financial performance. An employee understanding ways they can contribute towards strategic goals of an organization have a greater likelihood of feeling a sense of belonging.

The study revealed that affective engagement make employees feel motivated to do a good job, seek supervisors help in devising new ways of performing tasks for better results. The findings agree with Welbourne (2007) who suggested that a company has the ability of

improving employee engagement if they focus on behaviors exhibited. Any type of engagement that is applied in an organization focuses on improving performance of the organization and in the process the performance of individual performance is also improved. Any model of performance that is based on role and starts by focusing on the goal it wants to achieve assists it in identifying forms of behaviors required from its employees to achieve the set goal.

The study found that behavioural engagement has helped employee adopt very well in any new roles given, managers encourages individuals to work as a large team to achieve organizational and employee get help in areas where they face problems in job. The findings concur with Maslach and Leiter (2008) who warned on the idea of discretionary effort, and their argument was that behavioural engagement is the extent of vigilance, and conclusiveness in which employees are able to express themselves in regard to their tasks and are present psychologically and not the notion of performing past the expected. Kahn (2010) emphasized on modern organization's adaptive requirements and explained employee engagement to be those with the ability of adapting, coping with transformation and taking initiatives which concurs with the findings of this study.

4.7.2 Employee Performance

The study found that employee performance has been enhanced since they deliver quality work, they are very efficient when undertaking tasks, they have a cordial working relationship with colleagues at work, they have the ability to complete tasks at the set time lines, they are able to meet the organization performance expectations, they rarely make mistakes while performing my duties, they plan their work so well so as to achieve set

targets; their productivity has improved in the last 5 years; they understand my goals very well so am able to achieve them and they experience minimal work problems.

These findings agree with Kenney (2012) who noted that explained that performance of an employee is determined against the set standards by the company. Each company expects some level of performance from its employees. Employees are considered to be good performers if in their performance, the standards and goals of the organization are met allowing the company to attain its set expectations. Performance can also be considered to be the reflection of the desired quality by a firm which is reflected by effectiveness in presentation and administration of employee's tasks.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter reviews the summary of findings, conclusions, recommendations, limitations of the study and suggestions for further studies. This addressed the study goal which was to establish the influence of employee engagement on employee performance at KCB Bank limited.

5.2 Summary

This section is a summary of the study findings. This include summary on employee engagement and employee performance.

5.2.1 Employee Engagement

It was established that physical engagement has enabled employee to get advice from their supervisors to minimize mistakes; this has enabled them to achieve their tasks at the required time; and focus attention on their tasks. Physical expression is what individuals take pleasure in when they are engaged in a role. The study established that cognitive engagement improves employee innovativeness, helps them to seek novel solutions to the problems they face at work and enables employees to adopt to different organization changes. There is great possibility that staff members who clearly understand ways of contributing towards achievement of organizational goals will develop some sense of belonging.

The study revealed that affective engagement make employees feel motivated to do a good job, seek supervisors help in devising new techniques of performing tasks for better results. Any model of performance that is based on role and starts by focusing on the goal it wants to achieve assists it in identifying forms of behaviors required from its employees to achieve the

set goal. The study found that behavioural engagement has helped employee adopt very well in any new roles given, managers encourages individuals to work as a large team to achieve organizational and employee get help in areas where they face problems in job. Employees with the ability of adapting, coping and taking initiatives in a dynamic environment are said to be engaged employees.

5.2.2 Employee Performance

The study established that performance of employees has improved because quality work has to be deliver, they are very efficient when undertaking tasks, they have a cordial working relationship with colleagues at work, they have the ability to complete tasks at the set time lines, they are able to meet the organization performance expectations, they rarely make mistakes while performing my duties, they plan their work so well so as to achieve set targets; their productivity has improved in the last 5 years; they understand my goals very well so am able to achieve them and they experience minimal work problems. Each company expects some level of performance from its employees. Employees are considered to be good performs if their performance meets the set goals and standards of the organization allowing the company attain its set expectations.

5.2.3 Employee Engagement and Employee Performance

The study found a strong relationship between employee engagement and their performance. The study also revealed that forms of employee engagement significantly influenced employee performance at KCB bank limited. Further, employee engagement positively influenced employee performance at KCB bank. Therefore, employee engagement positively

and significantly influenced performance of employees. This suggests that increasing employee engagement by a unit results to improved employee performance.

5.3 Conclusions

The study found that physical engagement helps employees to pay attention on their tasks. This implies that physical engagement influences employee performance and that any changes in physical engagement results to changes in performance levels of employees. Conclusion drawn is that physical engagement strongly related with performance of employees. The study established that cognitive engagement makes employees more innovative. This implies that cognitive engagement influences employee performance. Conclusion drawn is that cognitive engagement significantly relates with performance of employees.

Affective engagement motivates employees to do their work better. This implies that affective engagement affects performance of employees. Therefore, conclusion drawn is that affective engagement has a strong relationship with performance of employees. Behavioural engagement was found to help employees to adopt to the organization environment. This is an indication that behavioural engagement influence employee performance. Conclusion drawn is that behavioural engagement significantly relate with employee performance.

5.4 Recommendations

Management of organizations must make sure that employee engagement exists in their organization. This is because employee engagement improves productivity and efficiency and also make are happier, both at work and in their lives.

The study found that physical engagement influences performance of employee. Therefore, organizations can ensure physical engagement through emotional commitment of the employees into the organizations goals. The organization can achieve this by having emotional discretionary efforts using management constructs, job satisfaction and involvements that are well established. To ensure cognitive engagement the organization must make sure that the relationship at work environment is dynamic and will encourage engagement interlocking with other components allowing employees to feel free in expressing themselves physically, emotionally and cognitively when performing tasks.

The study further recommends that; to ensure affective and behavioural engagement the management of the company should have the ability of identifying employee categories; those who are disengaged, actively engaged and disengaged. After these categories have been determined, proper efforts should be developed to ensure that the disengaged group are brought to task since it is important for them to be engaged in positive actions of management to enhance engagement levels among employees.

5.5 Limitations of the Study

This study did not achieve 100% response. This is because the respondents had busy work schedule while others were hesitant to take part in the study. However, the researcher provided them with an introduction letter from the institution of study and assured them that the information provided was to be applied solely for academic reasons.

The study aim was to establish the influence of employee engagement on employee performance at KCB Bank limited. The study was limited to KCB Bank limited in Nairobi County.

The study instrument was only the questionnaire which was used to collect primary data. The study was limited to physical engagement, cognitive engagement, affective engagement and behavioural engagement employee engagement forms.

5.6 Suggestions for Further Studies

Study focus was establishing the influence of employee engagement on employee performance at KCB Bank limited. Therefore a study on determining the influence of employee engagement on employee performance in the corporates such as Safaricom Limited is recommended. This will help in comparing the results to know whether they have a close relationship. The study further recommends a study on influence of employee engagement on employee retention among Kenya's commercial banks.

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Appendix : Questionnaire

Kindly Tick appropriately

Section A: Demographic Information

1. What is your gender?

Female

Male

2. What is your age bracket?

20 - 30 years

31-40 years

41-50 years

Above 50 years

3. What is the level of your education?

Master's degree

Bachelor's degree

Diploma

Certificate

Any other

4. For how long have you worked for KCB Limited?

Below 5 years

6- 10 Years

11 - 15 Years

Above 15 years

Section B: Employee Engagement

Indicate the level at which you agree with the following statements about employee engagement at KCB Bank limited. Scale: 1=Strongly disagree 2=Disagree 3=Moderate 4=Agree 5=Strongly agree

| Statements | Strongly disagree | Disagree | Moderate | Agree | Strongly agree |
|---|-------------------|----------|----------|-------|----------------|
| Physical engagement | | | | | |
| I am able to achieve my roles at the required time | | | | | |
| I focus my attention on my work hence minimizing mistakes | | | | | |
| My supervisor advices on work focus to minimize mistakes | | | | | |
| Cognitive engagement | | | | | |
| I seek novel solutions to the problems I face at work | | | | | |
| I am able to adopt to different organization changes | | | | | |
| Engagement makes me more innovative | | | | | |
| Affective engagement | | | | | |
| I feel motivated to do a good job | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| My supervisor helps me to devise new ways of doing my tasks | | | | | |
| I devise new ways of doing my tasks for better results | | | | | |
| Behavioral engagement | | | | | |
| My managers encourages individuals to work as a large team to achieve organizational | | | | | |
| I get help in areas where I face problems in my job | | | | | |
| I adopt very well in any new roles given to me | | | | | |

Section C: Employee Performance at KCB Bank limited.

Indicate the level at which you agree with the following statements about employee performance at KCB Bank limited. Where: 1=Strongly disagree 2=Disagree 3=Moderate 4=Agree 5=Strongly

| Statements | Strongly disagree | Disagree | Moderate | Agree | Strongly agree |
|---|--------------------------|-----------------|-----------------|--------------|-----------------------|
| I complete my tasks within the set period of time | | | | | |
| My work results have improved in the | | | | | |

| | | | | | |
|--|--|--|--|--|--|
| last 5 years | | | | | |
| I deliver quality work | | | | | |
| My productivity has improved in the last 5 years | | | | | |
| I am very efficient when undertaking my tasks | | | | | |
| I experience minimal work problems | | | | | |
| I rarely make mistakes while performing my duties | | | | | |
| I am able to meet the organization performance expectations | | | | | |
| I understand my goals very well so am able to achieve them | | | | | |
| I have a cordial working relationship with my colleagues at work | | | | | |
| I have the ability to complete my tasks at the set time lines | | | | | |
| I plan my work so well so as to achieve my set targets | | | | | |

THANK YOU