INFLUENCE OF ORGANIZATIONAL CULTURE ON EMPLOYEE ENGAGEMENT AT KCB HEAD OFFICE

BY

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DECLARATION

This research project is my original work and has not been presented for the award of a degree in any other university or any other higher learning institution for examination purpose.

Sign: …….. Date:……

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D64/77082/2015

This research project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

This study is dedicated to my late dad Capt. G.G. Njuguna Ngengi for planting a seed of self-belief that continues to grow and flourish, my mum Rebecca Wanjiku, my husband David Riitho. A special dedication goes to Barrack Njoroge for his selflessness and unquantifiable support. To my children Stacey Riitho and Sheila Riitho who encouraged me every moment of the way, may this achievement exemplify that with clear focus anything and everything is achievable.

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TABLE OF CONTENTS

DECLARATION ..... **ii**

DEDICATION ..... **iii**

ACKNOWLEDGEMENT ..... **iv**

CHAPTER ONE: INTRODUCTION **1**

1.1 Background of the Study 1

1.1.1 Organizational Culture 3

1.1.2 Employee Engagement 4

1.1.3 The Banking Sector in Kenya 5

1.1.4 KCB 6

1.2 Research Problem 7

1.3 Research Objective 10

1.4 Value of the Study 10

CHAPTER TWO: LITERATURE REVIEW **12**

2.1 Introduction 12

2.2 Theoretical Foundation 12

2.2.1 Structural Theory 12

2.2.2 Theory of Organizational Culture 13

2.2.3 Cultural Web Theory 14

2.3 Types of Organizational Culture 15

2.3.1 Clan Culture 16

2.3.2 Adhocracy Culture 16

2.3.3 Market Culture 16

2.3.4 Hierarchy Culture 17

2.4 Employee Engagement 17

2.4.1 Vigor 18

2.4.2 Dedication 18

2.4.4 Absorption 18

2.5 Organizational Culture and Employee Engagement 19

CHAPTER THREE: RESEARCH METHODOLGY **21**

3.1 Introduction 21

3.2 Research Design 21

3.3 Population of the Study 21

3.4 Sampling Design 21

3.5 Data Collection 22

3.6 Data Analysis 23
CHAPTER FOUR: DATA ANALYSIS & INTEPRETATION OF RESULTS . 24
4.1 Introduction 24
4.2 Response Rate 24
4.3 Background Information 24
4.3.1 Gender of Respondent 24
4.3.2 Age of Respondent 25
4.3.3 Highest Level of Education 26
4.3.4 Tenure in the Organization 27
4.3.5 Position in Organization 27
4.4 Organization Culture 28
4.4.1 Main Characteristics 28
4.4.2 Institutional Leadership 29
4.4.3 Management of Employees 30
4.4.4 Glue That Holds The Organization 31
4.4.5 Emphasis on Strategy 32
4.4.6 Measures of Success 33
4.5 Employee Engagement 34
4.5.1 Vigor 34
4.5.2 Dedication 35
4.5.3 Absorption 36
4.6 Regression Analysis 36
CHAPTER FIVE: SUMMARY, CONCLUSIONS & RECOMMENDATIONS 39
5.1 Introduction 39
5.2 Summary of findings 39
5.2 Conclusion 40
5.3 Recommendations for Policy and Practice 41
5.5 Suggestions for Further Studies 42
REFERENCES 43
APPENDIX : QUESTIONNAIRE 48

LIST OF TABLES

Table 1 Sampling Design 22
Table 2 Gender of Respondent 24
Table 3 Age of Respondent 25
Table 4 Highest Level of Education 26
Table 5 Tenure in the Organization 27
Table 6 Position in the Organization 27
Table 7 Descriptive Statistics on Main Characteristics 28
Table 8 Descriptive Statistics on Institutional Leadership 29
Table 9 Descriptive Statistics on Management of Employees 30
Table 10 Descriptive Statistics on Glue that holds the organization 31
Table 11 Descriptive Statistics on Emphasis on Strategy 32
Table 12 Descriptive Statistics on Measures of Success 33
Table 13 Descriptive Statistics on Vigor 34
Table 14 Descriptive Statistics on Dedication 35
Table 15 Descriptive Statistics on Absorption 36
Table 16 Model Summary 37
Table 17 ANOVA 37
Table 18 Coefficients 38

ABSTRACT

Employees' engagement is a good indicator of outcomes that a business values, and is thus a good gauge of organizational health in terms of commitment, satisfaction, productivity, innovation and retention. Organizations with a positive culture reward their employees and create an enabling environment where employees develop, grow and operate at their full potential. This study sought to establish the effect of organizational culture on employee engagement. The study was anchored on the structural theory of culture, Schein's theory of organizational culture and cultural web theory. The study adopted a descriptive research design where the target population was all the 1026 employees of KCB head office in Nairobi. Stratified random sampling was used to arrive at a sample of 20% based on the level of employees ranging from managerial, clerical and operational level. The study relied on primary data which used a structured questionnaire. The questionnaires were administered through a drop and pick later method. Organization culture was based on six main parameters ranging from dominant characteristics, organizational leadership, management of employees, organization glue, strategic emphasis and criteria success. Employee engagement was measured in terms of vigor, dedication and absorption. Both descriptive and inferential statistics were used to analyze quantitative data. In descriptive statistics, the study used frequency, mean, standard deviation and percentages. The analyzed data was then presented in tables and figures. In relation to inferential statistics the study used regression analysis. The study established that there is a strong positive relationship (R= 0.644) between the variables. The study also revealed that 64% of employee engagement at KCB head office could be explained by organizational culture. The study further established that market culture is the most dominant at KCB head office. Hierarchical culture is also dominant though to a small extent. Adhocracy and clan culture exist to a very small extent. This study recommends that management of commercial banks in Kenya should ensure that an entrepreneurial culture is instilled among staff aimed at enabling them stick out their necks to take risks whenever opportunities present themselves. The leadership of commercial banks should also nurture upcoming talents and develop a staff retention strategy aimed at ensuring value of employee abilities. Strategic emphasis should stress on human growth, high confidence, candidness and participation. Management should ensure staff work vigorously, are more dedicated and absorbed in their daily routine. This can only be achieved by using a multifaceted approach. A broad based study covering all commercial banks in Kenya should therefore be carried out in future. A study should also be done on the effect of ICT adoption on the employee engagement as measured by their productivity.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

An organization as a social unit brings together people of diverse backgrounds to work towards a common defined goal. People come into the organization with different values, beliefs and way of doing things. Hofstede, Hofstede & Minkov (2010) affirms that every person carries within him/herself a way by which they feel, act and think that are learnt during the person's life. These people come into an organization that has its own set of values, beliefs and way of doing things. In order to achieve the common goal the organization must therefore define a common culture and endeavor to inculcate it to its constituents – its employees. Culture is said to reside in the seen and existing practices and in the way people identify that which goes on within their organization (Hofstede, Hofstede & Minkov, 2010). By reading documents and observing how things are done within an organization, it is possible to interpret the culture within a particular organization.

Organizational culture may be perceived to be supportive/unsupportive or positive/negative. Organizations with a positive culture reward their employees and create an enabling environment where employees develop, grow and operate at their full potential (Robbins & Judge 2012). According to French & Holden (2012), positive organizational cultures buffer ill effect of bad news during change processes. This means that when employees perceive an organizational culture as positive they respond to change better and make change management possible. Van (2013) concludes that employees drive innovation and move the organization forward where they perceive the organizational culture as supportive. Supportive organizational cultures reduce negative work-home spill overs and provide flexible work home

arrangements that attract and retain high quality employees concurs (Sok, Blomme & Tromp, 2014).

The Structural approach theory proponed by Handy (1993) identified four diverse forms of culture and named them person, task, role and power cultures. Schein's theory of organizational culture is one of those that is best quoted in studies. Schein (2004) claims that there three may be considered in examining culture which are noticeable objects, adopted ideals and beliefs and basic assumptions which follow a hierarchical model. Johnson and Scholes (2008) web theory offers a valuable way of theorizing the traditional setting of a community and the way it develops. They identify a model with six interlinking processes that decide how culture is formed and secured. They are organizational structures and controls, power, symbols, stories and routines.

The banking industry in Kenya has grown tremendously within the last few years. Banks act as storehouses for the country's wealth thus providing financial resources for economic development. Banks also provide long and short term credit to individuals and institutions who invest it in doing business. These businesses create jobs and therefore income for several households. As a result of improved business, the government is able to collect tax and invest it in public services for example roads. When these roads are built, infrastructure and ease of movement of goods is possible therefore creating more wealth. Commercial banks facilitate trade and industry by issuing bank drafts and letters of credit which support in the rise of international trade that earns the country foreign currency. By supporting farmers with credit facilities, farmers are able to use productive methods and produce food for the country. With adequate food supplies, the government does not have to spend money on food

imports and the money that would do this is ploughed back into the economy. By opening branches across the counties and borders, different parts of the country are developed and this provides opportunities for production of goods and services. Banks have established export promotion cells that help increase exports of the country thus earning the country foreign currency (https://www.kenyaplex.com/resources/6179-functions).

1.1.1 Organizational Culture

Shein (1990) defines organizational culture as a design of simple suppositions, created, revealed or established by a given group as it finds ways on how to cope with its problems arising from the need to adapt to the external setting as well as integrate internally that works well to be considered usable enough to be taught to new members as the right way to feel, think and perceive in solving those problems. From Shein's definition it is clear that the organization has to articulate clearly what its basic assumptions will be as well as consider the external and internal customer to shape those assumptions. We can therefore say that organizational culture is formed not only by basic assumption but by a pattern. A pattern refers to a repeated design which reaches a level where it can be followed effortlessly.

Hofstede (2003) defines culture as principles and applications of an organization which differentiates it from others. The principles and applications of any place of work determine how employees carry themselves with each other and with the external parties and therefore decide on how to get involved in productive assignments. He stated that domestic and regional factors have a part to play in

influencing a culture of any organization and eventually impact the actions of employees in that organization. According to Hofstede and Hofstede (2005), culture is identified by five scopes namely that are individualism/collectivism, masculinity/femininity, power distance, long/short term and uncertainty avoidance orientation.

1.1.2 Employee Engagement

Kahn (1990) was the first to hypothesize engagement by defining personal engagement as the simultaneous display of an individual's ideal self in assignment actions that encourage a link to the job and to other people, a link to personal presence (emotionally, mentally and physically), and a link to active job performance. Employees' engagement is a good pointer of results that a business sees as valuable, and is therefore a reasonable gauge of organizational well-being (Rich, Lepine & Crawford, 2010). There appears to exist a powerful linkage of engagement to a variety of successful business results that include commitment, fulfillment, efficiency, invention, retention, and generally progressive work results. Employee engagement is evaluated at an individual level taking into consideration that individual engagement levels are affected by the organization's leadership and culture among other factors (Alarcon, Lyons & Tartaglia, 2010).

Employee engagement is defined by Schaufeli et al. (2007) as an optimistic, rewarding, work-related frame of mind described by absorption, vigor. The basic tenet is that in order for an organization to thrive and endure in a unceasingly shifting surrounding, organizations require inspired and fit employees, which can only be achieved when occupational health and human resource policies are integrated

(Shaufeli et al. 2007). Vigor is demonstrated through showing hyped levels of drive and mental resilience at the work place as well as a desire to devote effort in what one is doing at work and their willingness to overcome problems. Dedication refers to robust participation in the work that one does and getting a experiencing a feeling of meaning, zeal, stimulation, challenge and pride. Absorption is being able to fully concentrate as well as engross oneself to the work and one finds that time passes very fast and one has difficulties disengaging for work.

1.1.3 The Banking Sector in Kenya

According to information provided by Central Bank of Kenya there exist forty two fully licensed commercial banks and one mortgage finance company. Of these forty three banking institutions, thirty nine commercial and the mortgage finance institution are owned by private investors while the remaining three commercial banks are owned by the Government of Kenya who have controlling stakes. Twenty five of the thirty nine banks owned privately and the mortgage finance belong to local investors meaning that the controlling shareholders live in Kenya. The remaining fourteen are owned by foreigners. The Central Bank of Kenya (CBK) in mandated with developing the laws, principles and procedures that oversee mortgage finance companies, credit reference bureaus, commercial banks, microfinance banks, and other players within in the banking segment. It ensures stability, effectiveness and efficiency in the financial systems. (https://www.centralbank.go.ke).

The banking segment is progressive as well as lucrative, although it is plagued with rising costs that dwarf the revenues which is occasions in part by an increase in non-performing advances. The overall balance sheet reached KSh3.6trn ($39.6bn) in June

2015, up 21.4% from KSh3trn ($33bn) a year earlier. A number of factors also stand to benefit the sector going forward. Kenya's financial institutions are preparing to be participants and partners in funding multi-million infrastructure projects that include port expansions, power plants, port expansions, the Lamu Port-Southern Sudan-Ethiopia Transport Corridor that includes a northern oil pipeline to Uganda and the proposed 10,000 km of roads. Meanwhile, the middle class population in Kenya is growing the retail banking and it is projected that products that include mortgages and personal advances will go ahead and drive the adoption of credit cards. (http://www.oxfordbusinessgroup.com/kenya-2016).

1.1.4 KCB

The history of KCB Limited goes back many years to July 1896. Her forerunner, the National Bank of India started operations by opening a branch in Mombasa to take care of the business that was attracted by the port in those days. In 1958, Grindlays Bank amalgamated with National Bank of India and this union bore the National and Grindlays Bank. When Kenya gained independence, the Kenya Government bought 60% of the shares of National and Grindlays Bank. This move was aimed at bringing banking services closer to the majority of the Kenyan citizens. In 1970, the Government bought 100% of shareholding and took full control of the then largest commercial bank in the country. With this acquisition the government changed the name to Kenya Commercial Bank. Over the years, the Government has continued to reduce its shareholding by selling its shares to the citizens. In terms of ownership over the years, it was 23% in 2008 which was further reduced to 17.74% in 2010. (https://ke.kcbbankgroup.com).

Savings & Loan Kenya Limited was bought in 1972 to focus on mortgage financing. KCB Tanzania Limited was born and incorporated in 1997 in Dar-es-Salaam. Its main aim was to provide banking services as well as stimulate trading at the border of Kenya and Tanzania. What followed is a wide expansion within Southern Sudan in May 2006, Kampala in November 2007, Rwanda in 2008 with a subsidiary in Burundi (Onyango, 2014).

The KCB envisions being the Financial Solution Provider of choice in Africa by spreading its tentacles and having a global spread and is currently on an undertaking to drive proficiency whilst increasing market share towards achieving the vision. KCB's Human Resource Division has three strategic objectives namely: to attract and develop competent employees in order to be an employer of choice, to create a positive work environment enabled by the KCB values and enabling leadership and to be a performance driven organization where employees have clear ownership, responsibility and accountability for achieving business results and are recognized for their efforts (Omega, 2012).

1.2 Research Problem

Employee engagement occupies an important place in the list of human resource departments all over the world. This is because it touches on the bottom line of the organization and dictates to which extent employees can feel completely part of the organization and work on their own drive. Researchers link the determinants of engagement to leadership, organizational environment, organizational policies and procedures, organizational structure, rewards and recognition among others (Anitha, 2014). These determinants of engagement are embedded within the culture of an

organization and therefore the importance of developing a good culture that engages employees.

KCB aims at attracting, nurturing and retaining the most talented people available to ensure that it is an employer of choice for the smartest talents within the industry. To achieve this, KCB is grounded on five core values which define and underpin behavior by the employees of the bank. These include placing the client first, embracing team work, doing everything they do professionally and ethically, readiness to make any necessary changes and looking out for the community that they serve and who are their clients. KCB has a diversified workforce which creates an inclusive workplace culture. KCB recognizes the importance of leadership. In order to engage her employees, KCB invests in leadership and believes in good and sound leadership and continuously develops their leaders through highly interactive and experiential courses. With regards to recruitment policies KCB engages its employees by ensuring that recruitment and selection is grounded on worth and all-inclusiveness where all potential talented employees get an opportunity irrespective of their gender, age, ethnicity marital status, disability religious or political inclinations and beliefs. KCB recognizes that rewards and recognition are important in employee engagement and therefore gives performance based salaries that are competitive as well as engage in a philosophy of owning a share of the stake. This way, employees know that their effort is rewarded and remain engaged. KCB continually develops and trains her employees and manages performance as well as conducting talent reviews as a way of engaging her employees. KCB embraces the culture of employee share ownership. (https://ke.kcbbankgroup.com).

Several related studies have been carried out on organizational culture. Previous research on the subject confirmed a solid connection between organizational culture and engagement of work (Alarcon, 2010). Several studies carried out show that those employees that are engage perform much better than their counterparts who may not be engaged on a number of organizational measures (Shuck, Rejo & Rocco, 2011). It has been demonstrated that work engagement has a relationship to several positive work results and that is why it makes sense for organizations to nurture a progressively positive culture, that ensures employees continue to be engaged in their work, with a view to retaining workers much longer than those organizations do not to engage in promotion of engagement (Alarcon, 2010). In a study of effect of organizational culture on strategy implementation in commercial banks Muthoni (2012) concludes that where there exists a culture that is anchored on tenets, practices and behavioural models that support strategy it enhances the authority of an organization's strategy implementation effort. Omega (2012) conducted a study on perceived relationship between organizational culture and employees' job satisfaction at KCB and concluded that dimensions of the culture of an organization play a key part in KCB as a method way of improving employees' job fulfillment. Wambugu (2014) in her study on the influence of organizational culture and employee performance concludes that top management of an organization plays a very crucial part in achieving the sphere of organizational culture and is answerable for preserving an ideal culture that would hold transparent and crystal clear guidelines and procedures. It is, therefore clear that culture formed by values, norms and ways of doing things is important to whether or not employees will work with vigor, be committed and feel part of the organization. Although there have been many studies carried out on organizational culture, the researcher has not come across any other

study that investigates the influence of organizational culture on employee engagement in the banking industry. This study is therefore aimed at filling the above gap in knowledge by answering the question: what is the influence of organizational culture on employee engagement at KCB head office?

1.3 Research Objective

The objective of this study was to establish the influence of organizational culture on employee engagement at KCB head office, Nairobi.

1.4 Value of the Study

The study expectations are to add to the prevailing frame of knowledge on how to engage employees through organizational culture. The study will give an in depth understanding of the relationship that exists the culture of an organization and engagement of employees. By identifying the different organizational cultures, it will be possible to know which ones engage employees more than others. It will also help identify practices of employee engagement. This information will be available to both private and public organizations that are interested in matching organizational culture and employee engagement.

The study will be of value to KCB as it is anticipated that it will help in developing strategies and policies that propagate an organizational culture that engages the employees in order to achieve their goals. Management teams will find information on various cultural practices that have been successful in engaging employees and be able to see what they can borrow from. This will provide useful information when

they undertake a review of strategy implementation. The findings of this study will also be of value to other banks as well as non-bank organizations that may desire to implement some of the findings. This information will be available for use as reference material based on empirical studies. Through a critical analysis of the effects of organizational culture on employee engagement, the study hopes to identify any gaps left in previous studies.

To the Human Resource practice, this information will be of value as it will help in documenting the good practices and act as a point of reference for organizations. Since it is based on empirical studies, it will provide a good baseline for organizations that are starting to know which cultures they may want to adopt as well as helping those that have cultures that are not engaging to also borrow from the practice documented by this study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter examines different relevant theories that organizational culture is founded on. It further discusses the relationship between organizational culture and employee engagement. The chapter further presents an examination of the various types of culture as well as the indicators of employee engagement.

2.2 Theoretical Foundation

Several scholars have developed theories that explain organizational culture. The study will be guided by The Structural Theory of culture, Schein's Theory of Organizational Culture and the Cultural Web Theory.

2.2.1 Structural Theory

Handy (1993) acknowledged four types of cultures namely "Person Culture", "Task Culture", "Role Culture", and "Power Culture". Handy defined a power focused enterprise as the organization which makes an attempt to control its environment and reduce all resistance. According to Handy (1993), these organizations can be symbolized as a web where control spreads out like a web from the center going onto the other parts of the organization. Within that entity, the powerful ones endeavor to maintain total control over juniors. The role culture talks about an extremely structured organization where employee's delegated authority that is offered security and predictability. The entity that falls under the category of role-orientation aims at

being balanced and methodical as possible where conflict and competition are controlled or replaced by pacts, rules, and guidelines and the main emphasis is status and hierarchy which is moderated by legality and legitimacy. What this alludes is that both power and role oriented entities have all power centralized, however, where power-oriented entities exercises the power on a more personal level, the role-oriented entity applies highly official procedures and work directives to apply the power.

In a task oriented organization, the accomplishment of a superordinate objective has the maximum value which may not necessarily mean one of an economic nature. The person-oriented entity exists primarily to take care of any needs its members may have. The entity meets the needs of her members that they cannot otherwise fulfil on their own. Authority is discouraged in the role or power-oriented entity. Authority may be given only when it is very necessary. At that point it is given based on competence in the task and individuals are expected to influence one another through being helpful and caring (Handy, 1993).

2.2.2 Theory of Organizational Culture

Schein's (1990) theory of organizational culture is one of the most quoted among the organizational culture theories. According to him, in analyzing the culture of an organization, there are three levels which are observable artifacts, espoused beliefs and values and underlying assumptions which follow a hierarchical model. Schein (1990) differentiates between visible and invisible features of culture. It brings out the hierarchical features of these levels. Visible behaviour has and effect and is affected by assumptions that are not unobservable. Artifacts appear at the exterior level of an

organizational culture, they are noticeable, can be seen and felt easily through manifestations such as how people address each other, how they dress, how the office is organized among others. Espoused beliefs and values are at the second level of the culture of the organization and include norms, shared views, strategies applied, norms and philosophies. Basic fundamental suppositions are at the base level of the culture of the organization, they are deeply entrenched, and are unconscious, those that are shared with others but quite assumed.

Any contest of the assumptions is met by apprehension and defensiveness. Schein therefore comes up with a format which he feels should be used to construe those symbols that can be easily seen of any culture. The most observable signs should not be the only aspects to be used to interpret the culture of a given organization because they can easily be misinterpreted. Aiming only on noticeable symbols would result in not being able to understand the underlying assumptions that are basic to understanding any culture. On the other hand, it is crucial to recognize that even the adopted beliefs and values may only be a reflection of the aspired ones in the future. Shein concludes that organizational culture is the aura that includes the inside of an entity or organization.

2.2.3 Cultural Web Theory

Johnson & Scholes (1999) web theory states that the culture of an organization can be diagnosed through some seven fundamentals which are intertwined. In the middle of these, is the ideals or ordinarily held believes and standards of the entity that represents the purpose that drives the organization business, its mission and values (Johnson & Scholes, 2000). Ideals, assumptions and beliefs, are the most established

by the leadership of the organization and bring out strong force sets. The three aspects which form the paradigm or are at the core of an organization form the actions that function as a guide as to appropriate or not so appropriate actions or behavior with any organization (Johnson & Scholes, 1999).

Johnson and Scholes (1999) name the elements as organizational and power structures, systems of control, rituals, routines and symbols, which are molded as the organizations progressively develops. Routines and rituals are the activities that a repeated from time to time for example meetings. Symbols relate to logs and designs used within the organization and may include symbols of status such as parking slots for executives. Power structures relate to the sort of power that is adopted within the organization and positions of authority. Organizational structures refer how power is organized and how flows within the organization.

2.3 Types of Organizational Culture

According to Cameron and Quinn (1999) organizational culture is defined the stable set of the fundamental ideals, suppositions, interpretations and how members of an organization approaches matters. Culture in any entity can be looked at from two dimensions. One focus is on interior conservation (levelling and incorporation) versus exterior relationships (competition and distinction) and an emphasis on organic processes (flexibility and dynamism) versus machine-like processes (firmness and control) (Cameron and Quinn 2006). Krog (2014) asserts that combining these two sets of competing values result in four unique culture types.

2.3.1 Clan Culture

Clan culture is focused on the internal environment. Inferred as the (supportive) culture it is molded in the middle of the between the scope of organization focus and flexibility/dynamism (Sak & Acar, 2014). This type of culture has an elevated connection with teamwork and involvement (Quinn & Spreitzer, 1991). Aktas, Cicek & Kiyak (2011) state that it is the type of culture where a strong family sense exists and where the focus of the organization is to maintain steadiness, allegiance, cohesiveness and involvement. These aspects are seen key to success.

2.3.2 Adhocracy Culture

This is the culture that exists when an organization is a development conscious and it is characterized by invention, risk taking and (Quinn and Spreitzer, 1991). It denotes a culture within an organization that invents, is flexible to new ideas, is entrepreneurial and is creative as a result of being an exterior oriented and dynamic structure (Acar & Acar, 2014). According to Aktas, Cicek & Kiyak (2011), adhocracy provides far more opportunities for individual development in each individuals own way so long as it is in line with the organizational objectives. They further state that the focus of the organization is to achieve as many opportunities to innovate from the outside environment. Internet use in doing business is an example of this culture.

2.3.3 Market Culture

This culture emphasizes stability and control and it has an external focus/orientation. It takes a rational nature and whose emphasis is efficiency and accomplishment (Quinn and Spreitzer, 1991). The main emphasis of this culture is to a large extent

goal attainment. Competition is quite common among individuals and therefor causes less flexibility in personal relationships. Employees seek success. Criteria for success is based upon target achievement.

2.3.4 Hierarchy Culture

Hierarch also known as control culture exists in the middle of the internal organization focus and steadiness/control dimensions (Acar & Acar, 2014). This culture exhibits norms as well as values that are association with bureaucracy (Quinn and Spreitzer, 1991). It has an internal focus and its emphasis is on control with structured and formalized work places with set guidelines and rules for what people need to do (Cameron & Quinn 2006). Hartnel et al., (2011) quips that in these cultures, rulebooks and procedures are said to keep the organization together and stability as well as predictability are seen as fostering efficiency.

2.4 Employee Engagement

Parent & Lovelace (2015) state that when employees are engaged, everyone benefits because the employees feel that they can use their talents, develop fruitful relations and increase their efficiency through the relationships created. Van Allen (2013) further asserts that engaged employees' performance is consistently levels and this drives invention which moves the organizations forward. Sanford (2002 states that according to the survey conducted at Gallup reported in the Harvard business review, it was found that 30 percent of any organization's staff are actively engaged and about 20% are disengaged.

Khan (1990) asserts that employee engagement is where employees work and express themselves emotionally, mentally and physically when they perform their roles. He

continues to infer that disengaged employees often have withdrawal tendencies form performance of their roles and try to shield themselves emotionally, mentally and physically. Engaged employees are psychologically present at work. Shaufeli, (2007) defines employee engagement as a work related fulfilling and positive state of the mind that is characterized by absorption in the job, dedication to the job and vigor at work.

Indicators of Employee Engagement

2.4.1 Vigor

According to Schaufeli (2007) when a person has vigor, it means that they have elevated levels of energy and cognitive resilience during work and a desire and inclination to put a lot of effort in the work and persists even when there are apparent difficulties.

2.4.2 Dedication

When employees are engaged, they display elevated commitment levels to a point that they feel that the work they are doing is very important to them. Schaufeli (2007) refers to dedication as the state of being intensely involved in one's own work, where they experience a sense of passion, inspiration, pride, a sense of worth as well as feel challenged by their work.

2.4.4 Absorption

Absorption happens where an employee feels that the work has filled them and almost taken them over. Shaufeli (2007) states that it refers to being undividedly engrossed in one's own work while at the same time happy to be doing it so that one is not conscious of time passing by and find it difficult to detach her/himself from the work.

2.5 Organizational Culture and Employee Engagement

Despite the fact that employee engagement is seen as a relatively new field, there are some studies that have been conducted to study the effect of organizational culture on employee engagement. In one such study on investigating the relationship between organizational culture and employee engagement at a South African Information Technology firm by Naidoo & Martins (2014) they concluded that it is logical for an organization to nurture a culture that is positive and one which ensures that employees feel and continue being engaged in their in work in order to sustain the workers in the organization longer workers longer than those organizations that do not emphasize and promote employee engagement.

Another study on the relationship between organizational culture and work engagement: A multilevel investigation by Krog (2014) carried out in 35 Norwegian organizations showed that culture affects individuals and that clan culture and engagement are moderately related. Similarly, the market culture and the hierarchy culture did not show any major negative relationship with work engagement. In both of the quoted studies, the researchers did not quite identify the organizational cultures that influence engagement and what determines and manifests as engagement.

Reis, Trullen & Story (2016) carried out a study of 890 professionals from attendees of graduate and postgraduate programs of a business school in Brazil on perceived organizational culture and engagement: the mediating role of authenticity concluded that those environments that are seen to be more comprehensive and participative, and that incentivize autonomy (i.e. clan and adhocracy cultures) neither nurture nor inhibit realism. Cultures seen as having control, are orderly and emphasize stability (i.e.

hierarchy and market cultures) are negatively related to authenticity and therefore employees who behave more authentically at work are more engaged with their jobs.

In a study carried out by Parent & Lovelace (2015) on the impact of employee engagement and a positive organizational culture on an individual's ability to adapt to organizational change, they concluded that individual adaptability to change can be enhanced through a positive organizational culture. They further concluded that organizations with a positive organizational culture also foster both job and organizational engagement in their employees and that employees with high levels of job engagement are less adaptable to change.

CHAPTER THREE: RESEARCH METHODOLGY

3.1 Introduction

This chapter contains the research design, population of the study, sample design, data collection as well as data analysis.

3.2 Research Design

The study adopted descriptive survey research design. Descriptive research is a scientific method of exploration that involves collection and analysis of both quantitative and qualitative data. Mugenda & Mugenda, (2008) state that the descriptive study is a technique that enables the researcher to summarize and consolidate data in a way that is meaningful and effective. This design was considered fitting for this study because data was collected from a large number of employees. In addition, employees constituted the unit of analysis.

3.3 Population of the Study

Population is the aggregate of all that conforms to a given specification (Mugenda & Mugenda, 1999). The target population was 1026 employees at all levels at the KCB head office.

3.4 Sampling Design

According to Kothari (2004), the sample should be optimum, meaning that it fulfils the requirements of efficiency, representativeness, reliability and flexibility. It should neither be too large nor too small. A technique of stratified sampling used to applied to obtain a representative sample (Kothari, 2004). The study thus adopted a stratified random sampling technique since the population of study was not similar or homogeneous and was easy to subdivide into clusters or strata to get a representative

sample. Denscombe (2008) underscored the need to have a sample that is carefully selected to represent the population where the researcher would need to make sure that the sub divisions or strata to be analysed would be adequately catered for. The sample comprised of 20% of the targeted employees. This was double 10% recommended by Mugenda & Mugenda (2008). The sample was computed as shown in Table 3.1.

Table 1 Sampling Design

Level	**Target Population**	**20% Sample Size**
Managers	445	89
Clerks	551	110
Operational Staff	30	6
Total	**1026**	**205**

Source: HR department (2016)

3.5 Data Collection

According to Kothari (2004) primary data is the type of information that is gathered directly from those taking part in the study or respondents. The study therefore used primary data using structured questionnaires with closed questions. The questionnaire was adopted from Cameron and Quinn (2009) Organizational Culture Assessment Tool and Schaufeli & Bakkers' (2003) Work and Wellbeing Survey UWES. The researcher administered the questionnaire through "drop and pick later" method. The

questionnaire contained three sections A, B, and C. Section A contained demographic information and section B and C focused on organizational culture and employee engagement respectively.

3.6 Data Analysis

Quantitative analysis was used because it allowed the researcher to present findings in numerical form (Popper, 2004). The statistical tool for the quantitative analysis was the Statistical Package for Social Sciences (SPSS) version 21 for Windows. This analysis presented descriptive statistics in the form of percentages, means and frequencies for general information. Regression analysis was used to determine the influence of organizational culture on employee engagement. Data was presented in the form of frequency tables, bar charts and pie charts. Data was checked for accuracy, uniformity, logical completeness and consistency before analysis.

Simple Linear Regression Model

$$Y=\beta_0+ \beta X+ \varepsilon$$

Y = Employee Engagement

X = Organizational Culture

β_0 = Constant

β = Regression Coefficient

ε= Error Term

CHAPTER FOUR: DATA ANALYSIS AND INTEPRETATION OF RESULTS

4.1 Introduction

This chapter presents the analysis of data collected from the administered questionnaires.

4.2 Response Rate

205 questionnaires in total were administered but the researchers managed to obtain 187 completed questionnaires representing a 91% response rate. The questionnaire contained questions that addressed the objective of the study.

4.3 Background Information

4.3.1 Gender of Respondent

Table 2 Gender of Respondent

Gender	**Frequency**	**Percentage**
Male	52	28
Female	135	72
Total	**187**	**100**

Source: (Research data, 2016)

Respondents were asked to indicate their gender. Table 1 and Figure 1 reveal that (72%) of the respondents who took part in the study were female while the remaining

28% were male. This is attributable to the fact that it was easier to convince ladies than men to participate in this research.

4.3.2 Age of Respondent

Table 3 Age of Respondent

Age (Years)	**Frequency**	**Percentage**
20-30	25	13.4
31-40	127	67.9
41-50	30	16
50 and above	5	2.7
Total	**187**	**100**

Source: (Research data, 2016)

A larger number which formed a majority of the respondents were aged between 31-40 years as represented at 67.9%. This was followed by those aged between 41-50 years as presented at 16%. Only 2.7% of the respondents were aged 50 years and above as shown in Table 2 and Figure 2. The findings show that a good bulk of the respondents who participated in this study were mature enough.

4.3.3 Highest Level of Education

Table 4 Highest Level of Education

Level	**Frequency**	**Percentage**
Masters	62	33.1
Bachelors	115	61.5
Degree	10	5.3
Total	**187**	**100**

Source: (Research data, 2016)

Respondents were required to indicate their highest level of education. The findings clearly reveal that majority (61.5%) of the respondents in this study had attained Bachelor's degrees from universities. They were followed by those who had attained a Masters degree at 33.1%. A minimal 5.3% of the respondents possessed diploma certificates as their highest level of education. This therefore implies that majority of the employees who work at KCB head office are well learned therefore able to easily to articulate the issues under study. The findings are as presented in Table 3 and Figure 3.

4.3.4 Tenure in the Organization

Table 5 Tenure in the Organization

Tenure (Years)	Frequency	Percentage
Less than 1 year	8	4.3
1-5	111	59.4
6-10	29	15.5
11-15	17	9.1
Over 15	22	11.8
Total	187	100

Source: (Research data, 2016)

59.4% of the respondents showed that they had worked in the organization for a period of between 1-5 years then followed by those who had worked at KCB head office for a period of between 6-10 years as presented at 15.5%. This therefore implies that the bigger bulk of the respondents who participated in this study had worked for their organization for a period long enough to enable them comment on the issues under study. The findings are as shown in Table 4 and Figure 4.

4.3.5 Position in Organization

Table 6 Position in the Organization

Position	Frequency	Percentage
Management	84	45
Clerical	97	52
Operations	6	3
Total	**187**	**100**

Source: (Research data, 2016)

Respondents were further required to indicate their organization level they worked at. It is clear from the (Research data, 2016) that 52% of them worked at clerical level, 45% of them at management level and the remaining 3% of them at operation level. The findings are as presented in Table 5 and Figure 5.

4.4 Organization Culture

The study sought to investigate the influence of organization culture on employee engagement at KCB head office in Nairobi. Six major parameters of organization culture were considered ranging from main characteristics, institutional leadership, management of employees, glue that holds institution, emphasis on strategy and measures of success

4.4.1 Main Characteristics

Table 7 Descriptive Statistics on Main Characteristics

Item	Mean	Std. Deviation
The institution feels like my family	2.87	.867
The institution provides a vibrant innovative space providing for risk-taking	2.81	.903
The institution is concerned with results with an emphasis of doing the job. Colleagues clamour for competition and achievement	3.82	.265
The institution is controlled and organized with prescribed procedures that govern people	3.55	.310
Mean Score	**3.2625**	

Respondents were required to indicate their level of agreement with various aspects as pertains to dominant characteristics at KCB. A five point Likert-Type scale ranging from 1 being "Strongly Disagree" to 5 being "Strongly Agree" was used to measure. Means of between 2.81- 3.82 and standard deviations of between 0.265- 0.903 were registered. Findings from the study organization is results oriented with a huge emphasis on doing the job where colleagues clamor for competition and achievement (3.82) thus market culture is dominant. Further, the research findings revealed that the organization is a very controlled and prescribed procedure is what governs people (3.55). This is a common feature of a hierarchical culture as presented by means of 3.55 as presented in Table 6. This therefore indicates that the dominant characteristics at KCB head office depict a market culture as stipulated by Quinn and Spreitzer (1991). This culture's emphasis is on goal achievement. Competition is a common phenomenon among individuals which causes less flexibility in personal relationships.

4.4.2 Institutional Leadership

Table 8 Descriptive Statistics on Institutional Leadership

Item	Mean	Std. Deviation
The leadership facilitates, mentors and nurtures staff	3.22	.802
The leadership exhibits free enterprise, invention and risk taking.	3.18	.740
The leadership is does not entertain nonsense, is aggressive and is results focused.	3.63	.692
The leadership coordinates, organizes and focuses on efficiency	3.55	.642
Mean Score	**3.395**	

Respondents were required to indicate their level of agreement with various aspects on organizational leadership at KCB. Means of between 3.18 - 3.63 and standard deviations of between 0.642- 0.802 were registered. The study findings show that the leadership has a no-nonsense approach and is aggressive and results focused (3.63). On the other hand leadership in the organization is generally considered to exhibit free enterprise, invention and risk taking (3.18) as shown in Table 7. The findings imply therefore, that the organization leadership at KCB head office is market oriented much of the time and hierarchical in nature. Clan culture and adhocracy exist to a moderate extent.

4.4.3 Management of Employees

Table 9 Descriptive Statistics on Management of Employees

Item	Mean	Std. Deviation
The administration style is based on teamwork, compromise and involvement	3.36	.976
The administration style is considered to encourage personal, invention, liberty and exclusivity	2.96	.652
The administration style involves hard driving effectiveness, high demands, and success	3.64	.708
The administration style is characterized by security of employment, predictability and steadiness in relationships.	3.24	.732
Mean Score	**3.3**	

Respondents were expected to specify their level of agreement with various aspects on management of employees at KCB. Means of between 2.96 - 3.64 and standard

deviations of between 0.652- 0.976 were registered as shown in Table 8. The study findings revealed that the management style in the organization involves hard driving effectiveness, high demands, and success (3.64). On the other hand majority of the respondents were in agreement to a moderate extent that the management style is considered to encourage personal invention, liberty and exclusivity. It is therefore clear from the research findings that management of employees at KCB head office is characterised by a strong market culture and adhocracy culture to a moderate extent.

4.4.4 Glue That Holds The Organization

Table 10 Descriptive Statistics on Glue that holds the organization

Item	Mean	Std. Deviation
Allegiance, shared trust and commitment is what holds the institution together	3.06	.760
Commitment to invention and development is what holds the institution together	3.24	.668
Emphasis on accomplishment and goal attainment is what holds the institution together. Winning and assertiveness are important	3.71	.742
Rules and policies are what holds the organization together. Smooth operations are considered very important	3.85	.961
Mean Score	**3.465**	

Respondents were required to indicate their level of agreement with various aspects on organization glue at KCB. Means of between 3.06 - 3.85 and standard deviations of between 0.668- 0.961 were registered. It is clear from the study findings that the glue that holds the organization together is formal rules and policies (3.85). However, allegiance, shared trust and commitment to the organization is only to a small extent (3.06) as presented in Table 9. The implication therefore is that the hierarchical culture stands out in terms of organization glue because of formal rules and policies that maintain a smooth running in the organization.

4.4.5 Emphasis on Strategy

Table 11 Descriptive Statistics on Emphasis on Strategy

	Mean	Std. Deviation
The institution stresses human growth, high confidence, candidness and participation	3.19	.748
The institution stresses on procuring new resources and creating new challenges. Value is placed on trying out new things and looking for new prospects	3.41	.851
The institution stresses on competitive actions and accomplishments. Attaining stretch goals and winning in the market place is important	3.68	.905
The institution stresses on stability efficiency, control and operating smoothly	3.63	.978
Mean Score	**3.4775**	

Respondents were required to indicate their level of agreement with various aspects on strategic emphasis at KCB. Means of between 3.19 - 3.68 and standard deviations of between 0.748- 0.978 were registered. From the findings of the study, the organization stresses on competitive actions and accomplishments where attaining stretch goals and winning in the market place is important as presented in Table 10. The findings therefore imply that strategic emphasis at KCB head office is influenced by a strong market culture and hierarchical culture respectively.

4.4.6 Measures of Success

Table 12 Descriptive Statistics on Measures of Success

Item	Mean	Std. Deviation
The institution explains accomplishment on the basis of the growth of human capital, collaboration, employee commitment and care for people	3.34	.731
The institution explains success based on having newest and most unique products. It leads in innovating new products	4.97	.792
The institution explains success as winning in the market. Leadership in a competitive market is vital	3.98	.758
The institution explains success on the basis of effectiveness. Low cost production is important	3.76	.979
Mean Score	**4.0125**	

Respondents were required to indicate their level of agreement with various aspects on criteria of success at KCB. Means of between 3.34 - 4.97 and standard deviations of between 0.731- 0.979 were registered. The study reveals that the KCB explains success based on having newest and most unique products and leads in innovating new products as shown in Table 11. It is therefore clear that adhocracy culture strongly influences the criteria for success at KCB head office. This notwithstanding, market culture and hierarchical culture also have a strong influence on the criteria of success at KCB head office.

4.5 Employee Engagement

The study sought to investigate the effect of organization culture on employee engagement at KCB head office in Nairobi. Three major parameters of employee engagement were considered ranging from vigor, dedication and absorption.

4.5.1 Vigor

Table 13 Descriptive Statistics on Vigor

	Mean	Std. Deviation
I burst with energy at my work	3.40	.819
I feel strong and energetic at my work	3.34	.759
I feel like going to work when I wake up	3.14	.648
I can work for extended periods	3.37	.736
I am mentally robust at work	3.61	.862
I have a high perseverance at work even when things are wrong	3.65	.888
Mean Score	**3.4183**	

Respondents were required to indicate their level of agreement with various aspects on vigor at their work place. Items that were measured on a five point Likert-Type scale ranging from 1 being “Strongly Disagree” to 5 being “Strongly Agree”. Means of between 3.14 - 3.65 and standard deviations of between 0.648- 0.888 were registered. It is clear from the study that majority of the respondents were in agreement that they always persevered even when things did not go well (3.65). However, bursting with energy when they got to work was rated poorly by majority of the respondents. The findings are as presented in Table 12.

4.5.2 Dedication

Table 14 Descriptive Statistics on Dedication

Item	Mean	Std. Deviation
My work is has a lot of meaning and purpose	3.51	.728
I am passionate about what I do	3.55	.827
I am proud of my work	3.60	.807
I am inspired by my job	3.45	.788
My job gives me the challenge I need	3.57	.679
Mean Score	**3.536**	

Respondents were further required to indicate their level of agreement with various aspects on dedication to their job. Means of between 3.51 - 3.60 and standard deviations of between 0.679 - 0.827 were registered. The study revealed that a good majority of the respondents were proud of what they did (3.60) and that their job was challenging (3.67). The findings are as presented in Table 13.

4.5.3 Absorption

Table 15 Descriptive Statistics on Absorption

Item	Mean	Std. Deviation
I have no recollection of time when I am working	3.41	.894
Working intensely gives me contentment	3.81	.708
I get engrossed in my work	3.53	.922
I forget everything else around me when I am doing my work	3.32	.788
When I am engaged with work I get carried away	2.88	.841
I am unable to detach myself from my work	2.94	.929
Mean Score	**3.315**	

Respondents were further required to indicate their level of agreement with various aspects on absorption to their job. Means of between 2.88- 3.81 and standard deviations of between 0.708- 0.922 were registered. The study reveal that majority of the respondents were in agreement that they felt very happy when they worked intensely (3.81) and that they were immersed at their work (3.53) as shown in Table 14.

4.6 Regression Analysis

The research study wanted to evaluate the effect of organization culture on employee engagement at KCB head office in Nairobi. The study indicated that there exists a moderately positive relationship (R= 0.644) between the variables on organizational

culture and employee engagement. The study also revealed that 64% of employee engagement at KCB head office could be explained by organizational culture.

Table 16 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.644	.410	.406	.54822

Source: (Research data, 2016)

The ANOVA findings reveal that the F-critical (1, 185) was 3.92 while the F-calculated was 128.303 as shown in Table 4.16. This shows that F-calculated was greater than the F-critical and hence a relationship that is linear that exists between the independent variables and the dependent variable. In addition, the p-value was 0.000, which was less than the significance level (0.05). Therefore, the model can be considered to be a good fit for the data and hence it is appropriate in predicting the influence of organization culture on employee engagement.

Table 17 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	38.561	1	38.561	128.303	.000
	Residual	55.601	185	.301		
	Total	94.163	186			

Source: (Research data, 2016)

Table 18 Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.261	.197		6.417	.000
Employee Engagement	.644	.057	.640	11.327	.000

Source: (Research data, 2016)

Deducing from this study it was evident that a positive effect was reported for organization culture hence positively influencing employee engagement at KCB head office. Going by the results produced by the regression equation below it demonstrations that for a 1- point increase in the organization culture, employee engagement is predicted to increase by 1.261, while holding all other factors at a constant.

The equation for the regression model is expressed as:

$Y=\beta_0+ \beta X+ \varepsilon$

$Y= 1.261 + 0.644X$

Where

Y = Employee Engagement

X = Organizational Culture

$\beta_0 =$ Constant

β = Regression Coefficient

ε= Error Term

CHAPTER FIVE: SUMMARY, CONCLUSIONS & RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the findings of the research, the conclusions and the study recommendations of influence of organizational culture on employee engagement at KCB head office.

5.2 Summary of findings

Six main parameters were used to measured organization adopted from the OCAI assessment instrument. The parameters ranged included: main characteristics, institution leadership, management of employees, glue that holds the organization, emphasis on strategy and measures success. With regards to the main characteristics the findings revealed that the institution is concerned with results with a heavy emphasis on doing the job and colleagues are competitive and achievement oriented.

Leadership at KCB head office is generally demonstrates a no-nonsense, aggressive and is result focused. Administration style exhibits free enterprise, invention and risk taking. The glue that holds the organization together is formal rules and policies. However, allegiance, shared trust and commitment is what holds the institution together. It is further clear from the study findings that the organization stresses on competitive actions and accomplishments where attaining stretch goals and winning in the market place is important. These findings therefore imply that market culture is the most dominant at KCB head office. Hierarchical culture is also dominant though to a small extent. Adhocracy and clan culture exist to a very small extent.

The major criteria defining success at KCB is based on development of unique products or newest products. In addition success at KCB head office is defined on the basis of winning in the market place and beating the competition.

On the other hand employee engagement at KCB head office was measured in terms of Employee vigor, dedication and absorption. The findings showed that majority of the respondents concurred that they always persevered even when things did not go well. In terms of employee dedication the results of the study showed that majority of the respondents were proud of what they did and that their jobs were challenging. The findings further indicated that majority of the respondents were happy when they were engaged immensely.

The study showed that there exists a moderately positive relationship (R= 0.644) between the variables. The study further showed that 64% of employee engagement at KCB head office could be explained by organizational culture.

5.2 Conclusion

From the results of this study, it can be concluded that the organization culture has a significant effect on employee engagement at KCB head office. This deduction is supported by the findings of this study that clearly showed that there is moderately positive relationship (R= 0.644) between organization culture and employee engagement. The study findings revealed that market culture is the most dominant at KCB head office. Hierarchical culture is also dominant though to a small extent. Adhocracy and clan culture exist to a very small extent.

5.3 Recommendations for Policy and Practice

Bearing in mind the increasing desire to have increased employee engagement at the work place which leads to increased productivity poverty, there is need to instill appropriate organization culture. This could be done by putting policies and development plans that encourage a culture of creativity and encourages innovation at all levels of the organization. By inculcating an entrepreneurial culture at all levels will encourage staff to stick out their necks to take risks whenever opportunities present themselves. This will go a long way in making the institution as dynamic as possible given the fact that the banking industry changes with change in technology.

The leadership of commercial banks should nurture upcoming talents and develop a staff retention strategy aimed at ensuring value of employee abilities. An organization with lower employee turnover is perceived more competitive in the long run. Strategic emphasis should mainly focus on human growth, high confidence, candidness and participation. This will go a long way in engaging staff to focus on their set targets thus greater satisfaction and engagement.

While as there is an appreciation that KCB head office is big, there is need to nurture a culture of mentorship where loyalty to the bank is important and where staff feel that they are highly involved in the matters of the bank. This would go a long way in making the staff feel engaged which would be shown by their levels of vigor, dedication and absorption. In doing this, the bank would need to apply a multifaceted approach.

5.4 Limitations of the Study

The research focused on only organization culture only and was not exhaustive in this area. There could be many other parameters influencing employee engagement like adoption of ICT monitoring but the study only focused on organization culture. Whereas a bigger sample and wider coverage would give better result, this study was only limited to a sample of employees from KCB head office due to cost constraint. The researcher did not collect data from other KCB branches.

5.5 Suggestions for Further Studies

Following this research and the limitations thereof, further research could fill in the gaps that this study has left. This study focus was on the effect of organization culture on employee engagement at KCB head office which means that generalizations cannot adequately extend to other branches and commercial banks in Kenya. A broad based study covering all commercial banks in Kenya should therefore be carried out. A study should also be done on the effect of ICT adoption on the employee engagement as measured by their productivity.

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APPENDIX : QUESTIONNAIRE

Please fill in this questionnaire as honestly as possible. The information you provide will be treated in strict confidence.

PART A: BACKGROUND INFORMATION

Tick appropriately (√)

1. Gender: Male ( ) Female ( )
2. Age
   a. 20 – 30 years ( )
   b. 31 – 40 years ( )
   c. 41 – 50 years ( )
   d. Above 50 years ( )
3. Highest Level of Education
   a. Phd. ( )
   b. Master's Degree ( )
   c. Bachelor's Degree ( )
   d. Diploma ( )
   e. Other ( )
4. Tenure in the organization:
   a. Less than 1 year ( )
   b. 1 – 5 years ( )
   c. 6 – 10 years ( )
   d. 11 – 15 years ( )
   e. Over 15 years ( )
5. Organizational level
   a. Operations ( )
   b. Clerical ( )
   c. Management ( )

PART B: ORGANIZATIONAL CULTURE

Please rate the following statements by ticking (√) or X) in the appropriate box to indicate how much you agree or disagree with each statement.

1	Strongly Disagree	**2**	Disagree	**3**	No Comment	4	Agree	**5**	Strongly Agree

		1	**2**	**3**	**4**	**5**
B1	**MAIN CHARACTERISTICS**					
1	The institution feels like my family					
2	The institution provides a vibrant innovative space providing for risk-taking					
3	The institution is concerned with results with an emphasis of doing the job. Colleagues clamour for competition and achievement					
4	The institution is controlled and organized with prescribed procedures that govern people					
B2	**INSTITUTIONAL LEADERSHIP**	**1**	**2**	**3**	**4**	**5**
1	The leadership facilitates, mentors and nurtures staff					
2	The leadership exhibits free enterprise, invention and risk taking.					
3	The leadership is does not entertain nonsense, is aggressive and is results focused.					
4	The leadership coordinates, organizes and focuses on efficiency					
B3	**MANAGEMENT OF EMPLOYEES**	**1**	**2**	**3**	**4**	**5**
1	The administration style is based on teamwork, compromise and involvement					
2	The administration style is considered to encourage personal, invention, liberty and exclusivity					
3	The administration style involves hard driving effectiveness, high demands, and success					
4	The administration style is characterized by security of employment, predictability and steadiness in relationships.					
B4	**GLUE THAT HOLDS INSTITUTION**	**1**	**2**	**3**	**4**	**5**
1	Allegiance, shared trust and commitment is what holds the institution together					
2	Commitment to invention and development is what holds the institution together					
3	Emphasis on accomplishment and goal attainment is what holds the institution together. Winning and assertiveness are important					

4	Rules and policies are what holds the organization together. Smooth operations are considered very important					
B5	**EMPHASIS ON STRATEGY**	**1**	**2**	**3**	**4**	**5**
1	The institution stresses human growth, high confidence, candidness and participation					
2	The institution stresses on procuring new resources and creating new challenges. Value is placed on trying out new things and looking for new prospects					
3	The institution stresses on competitive actions and accomplishments. Attaining stretch goals and winning in the market place is important					
4	The institution stresses on stability efficiency, control and operating smoothly					
B6	**MEASURES OF SUCCESS**	**1**	**2**	**3**	**4**	**5**
1	The institution explains accomplishment on the basis of the growth of human capital, collaboration, employee commitment and care for people					
2	The institution explains success based on having newest and most unique products. It leads in innovating new products					
3	The institution explains success as winning in the market. Leadership in a competitive market is vital					
4	The institution explains success on the basis of effectiveness. Low cost production is important					

PART C: EMPLOYEE ENGAGEMENT

	Vigor	**1**	**2**	**3**	**4**	**5**
1	I burst with energy at my work					
2	I feel strong and energetic at my work					
3	I feel like going to work when I wake up					
4	I can work for extended periods					
5	I am mentally robust at work					
6	I have a high perseverance at work even when things are wrong					
	Dedication	**1**	**2**	**3**	**4**	**5**
1	My work is has a lot of meaning and purpose					

2	I am passionate about what I do					
3	I am proud of my work					
4	I am inspired by my job					
5	My job gives me the challenge I need					
	Absorption	**1**	**2**	**3**	**4**	**5**
1	I have no recollection of time when I am working					
2	Working intensely gives me contentment					
3	I get engrossed in my work					
4	I forget everything else around me when I am doing my work					
5	When I am engaged with work I get carried away					
6	I am unable to detach myself from my work					

Thank you for completing this questionnaire.

APPENDIX 2: LETTER FROM SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MSC. HUMAN RESOURCE MANAGEMENT PROGRAMME

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

Date 07/10/2016

TO WHOM IT MAY CONCERN

The bearer of this letter REHEMA GRACE NJUGUNA
Registration No. D64/77082/2015
is a bona fide student in the Master of Science in Human Resource Management (MSc. HR) degree program in this University.

He/She is required to submit as part of his/her coursework assessment a research project on Human Resource Management problems. We would like the student to do their projects on real problems affecting firms in Kenya. Your organization has been identified for the study and we would, therefore appreciate your assistance to enable him/her collect data in your reputable organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organization on request.

Graduate Studies Office
P.O. Box 30197
NAIROBI
Nairobi University School of Business

JANE MUTURI
MSc. HUMAN RESOURCE MANAGEMENT ADMINISTRATOR
SCHOOL OF BUSINESS