ORGANIZATION POLICIES AND PERFORMANCE OF MOBILE TELECOMMUNICATION COMPANIES IN KENYA

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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.

Sign: _______________ Date: _____________________

Ngugira Purity Njeri

D61/8459/2017

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

Sign: _______________ Date: _____________________

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DEDICATION

I dedicate this project to my family.

ACKNOWLEDGEMENT

The endeavour and completion of this project was made conceivable by various individuals, to whom I am significantly thankful. I' am deeply grateful to my supervisor Dr. Raymond Musyoka and my moderator Professor Martin Ogutu for their direction and support over the period of this project. My gratitude also goes to all the lecturers of the School of Business, University of Nairobi, who reliably made a special effort to confer their insight and abilities all through this course.

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LIST OF ABBREVIATION AND ACRONYMS

CCK	Communications Commission of Kenya
CEO	Chief Executive Officers
CFO	Chief Finance Officers
ICT	Information Communication Technology
SBU	Strategic Business Unit
SPSS	Statistical Package for Social Sciences

ABSTRACT

The Mobile Telephony Industry has created many employment opportunities. In order to create a sustainable and profitable business, it's important to have proper organizational policies; firms with clear policies perform better than those companies that lack. Increasing intensity of competition in Kenya's mobile telecommunication industry has negatively affected financial performance of mobile companies with most of them incurring huge losses in the recent past (CAK, 2019). From the study done there's limited empirical proof on the association existing between organizational policies and performance, therefore the research gap this study sought to fill by answering the following research questions, is there a relationship between organizational policies and performance of mobile telecommunication companies in Kenya? This study was anchored on three theories which includes, competitive advantage theory, stakeholder theory and resource-based view theory. The study is important to the management of mobile telecommunication companies, as it guides them in understanding how strategic organizational policies are of importance in organizational performance. The study findings benefits policy makers as they get to understand how strategic organizational policies affects performance of mobile telecommunications companies. Researchers and academicians can use the study as a reference for future related studies. The study adopted a descriptive cross-sectional survey. This study focused on four major telecommunication firms operating in Kenya. The study focused on 178 managerial staffs of four mobile telecommunication companies firms based at the head office. The study sampled 50% of the population chosen through stratified random sampling. Stratification was based on mobile telecommunication company. This study used a questionnaire as data collection tool. Quantitative data collected was analysed by the use of descriptive statistics using SPSS (Version 23). 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 were done to establish the relationship between organizational policies and performance of mobile telecommunication companies in Kenya. Data was presented using tables, and pie charts to make them reader friendly. The study established that organization policies directly influences organizational performance suggesting that a unit increase in organizational policies will result in an increase in organizational performance. The study recommends management of the telecommunication companies to ensure that their policies are well-structured and suitable in order to ensure that the organization functions effectively and improves its performance. Mobile telecommunication companies should be concerned with operational policies especially policies focused on decision structures and team synergy and ensure they are flexible and adjusts accordingly depending on the current conditions. The study also recommends the companies to focus more on productivity policies to ensure there is speedy decision making; this ensures that professionals and management is protected from adhocracy details that negatively affect their creativity and performance. The study further recommends the companies to focus more on quality-management policies as strategies that can guide the company in attaining sustainable competitive advantage.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organizational policies are responsible for setting guidelines that help in resolving any form of conflict that might arise among goals and spear head any form of ineffective competition that might arise between managers. Through these policies each partner or Strategic Business Unit (SBU) gets the opportunity of concentrating in their area of competence and in the same time work with other units to achieve the set goal/mission (Scott, 2014). Organizational policies that are well thought help the organization to achieve those missions that are considered difficult in a manner that is counterintuitive (Ofunya, 2013). Through organizational policies, the tone for competitive strategies is set and acts as a foundational basis for organizations vision. These policies are of great importance in evolution of the organization and therefore they cannot be copied from other organizations. These policies are what make the organization unique; they act as the signature of the organization (Uzel, 2012).

This study will be anchored on three theories which includes, competitive advantage theory, stakeholder theory and resource-based view theory. Firstly, the theory of competitive advantage which would reflect how organizational policies influence performance. Secondly the stakeholder theory that advocates on policies guiding how employees and management should associate with stakeholders. Thirdly, resource-based view that focuses on organization resources, for this study we shall look at technology hence technology strategies and how diversifying into IT products and services can influence performance of an organization.

Mobile Telecommunication is a great contributor in economic development. It is also a very profitable industry therefore this study seeks to determine the challenges, opportunities and effective policies in this industry. In present business environment, there is stiff competition, also, the market is dynamic in nature, therefore, mobile telecommunication companies need to organizational policies for developing, managing and monitoring business and therefore ensure improved performance. To ensure great performance is produced, it's necessary to formulate and implement organizational policies (Brenes, Mena & Molina, 2017). The growth of an organization is facilitated by organizational policies; this is mainly because it ensures that internal operations of an organization are streamlined and stimulates access to opportunities and market; it also ensures that there is enhanced business-related efficiency, therefore increasing profitability and productivity (Horvits, 2015). The primary objective of mobile telecommunication companies is to provide mobile communication services to customers and subscriber's growth which overtime leads to profitability. This study seeks to establish the relationship between organization policies and performance of mobile telecommunication companies in Kenya.

1.1.1 Organization Policies

According to Abraham and Taylor (2013), organizational policies are set of policies that help an organization to align it vision to the business objectives. Organizational policies set clear direction for the company spearhead business operations. Organizational policies set the path through which the mission of the organization will be achieved, it delineates a navigation corridor or other fields of interest and the link that exists between them, the policies therefore help lower any form of uncertainties that might exist when formulating strategies and downstream them further down the value chain. Through organizational policies, the company outlines the markets of interest to them and those they want to avoid. Through organizational policies, the company gets the opportunity of directing their efforts in avenues that seem promising and are friendly to the environment and allow different propositions to be combined to make sure that clients benefit from the practices the most. The outcome of such practices is that clients become loyal and therefore creating long lasting value for staff, suppliers, shareholders, and trade partners (Kotler & Keller, 2012).

Organizational policies in any organization provide guidance in process of making decisions in creating programs, select projects or address issues for the purpose of fulfilling company's mission and creating a coherent framework to guide the future in a sustainable manner for the purpose of advancing of good leadership. The policies outline ways of balancing priorities and conflicting goals. They help organizations to focus on customer and stakeholders needs, having clear indication of inherent trade-offs. Organizational policies are primarily based on missions of the agency and good leadership.

1.1.2 Performance

Organization performance is considered to be the manner in which an organization fulfills their objectives both financial and market based (Chesire & Kombo, 2015). Performance is a continuous process that involves flexible procedures including management and those under management's supervision. They take a role of partners in a system created to empower them accomplish the required outcomes. Practicing strategic management can be supported as long as it enhances the firm's performance. Performance in itself is the final product of the activities that it incorporates and the actual outcome of the strategic administration process. When the organization attains its main goals set in the key organizational plans, it’s then termed as organizational performance (Hunger & Wheelen, 2015).

For mobile telecommunication companies, performance is determined using financial and non-financial measures. Average Return Per User (ARPU) is the most common financial measure used (Hyatt, 2016). The metric is of great importance in the telecom sector since its used to determine the operational performance of the organization. The main focus of these companies is to have minimum cost and maximum profit when providing services to each of their end users. Telecommunications firms are service providing companies and therefore, investors’ interest is measuring marginal profit as well as cost on a unit level, and reveals efficiency of resource utilization in the company. It is better for the company to record a high average return. Those telecommunication firms offering bundling services tend to enjoy a high ARPU. With the increasing number of SIM and device owners, operators are trying to explore new techniques to capture and express customer spends, for example average revenue per account (ARPA).

Mobile telecommunication companies use churn metric, which is always a measure of attrition or loss, in most companies it is used to determine the number of customers who leave and it is measured quarterly. It is clear that a low rate of churn is most suitable. Those companies experiencing a high rate of churn are under great pressure to increase their revenue through other sources or try and increase the number of customers. For any telecom company to record revenue growth in the future, it greatly depends on their ability to increase the number of customers and have new subscribers. It is very important to grow the number of subscribers. Having a steady growth in number of subscribers indicates that the company is competitive and is keeping up with technological trends and therefore attracting customers and ensuring they are happy with the services provided. Strategies developed based on managerial decisions and actions are responsible for determining long term organizational performance (Hunger & Wheelen, 2015). Companies try building their business by increasing their market share in respect to their competitors and therefore allow them to make profit from the economies of scale. Through economies of scale, the company can work up cost advantage. Sales increase in a slow industry is the inspiration to enlarge the market share.

1.1.3 Organizational Policies and Performance

Strategic organizational policies outline what practices an organization views as acceptable in which situations. While not all employees will follow said policies (this depends on punishments for violating them), they fundamentally alter employees' incentives, and in effect behaviour. The particular policies an organization holds certainly affects the performance of the organization as a whole through those key decisions and behaviour. Whether a policy will lead an organization to better or worse performance depends on the policy and the context, but they will inevitably affect performance overall (Waldron, Fisher & Pfarrer, 2016). Saxena (2016) explained that performance is directly affected by policies in the organization. These policies arise from the culture of the organization and can also have a great effect on it as well. Policies are part "people system" driving the culture and indicating the things that have been noticed, criticized, rewarded, etc. People have a tendency of paying attention and therefore their reaction will be accordingly. Policies are much more powerful.

Hirota, Kubo, Hong, Miyajima, and Won Park (2010) review on strategic organizational policies as well as business outcomes revealed that improved organizational performance is highly dependent on the mission of the organization and its underlying policies. Pichler, Blazovich, Cook, Huston and Strawser (2017) focused on whether organizational policies that support lesbian, gay, bisexual, and transgender (LGBT) enhance firm performance. They noted that the existence of policies that support LGBT in an organization us related with a high company value, profitability, and productivity. In addition, the company value and profitability relating with those policies supporting LGBT is larger in those firms that take part in research and development and also the benefits persist more in cases where there exist state antidiscrimination laws.

1.1.4 Mobile Telecommunication Companies in Kenya

In this 21st Century, there has been great evolution observed in the mobile telecommunication industry in Kenya for it to become the fastest growing, competitive and very vibrant industry. This was mainly after Mobile phone services were introduced in the year 2000, (CCK, Report, 2012). Safaricom and Airtel were the first companies to venture into this business. The last decade has seen the birth of Essar's Yu and Telkom companies in this industry. This has consequently increased the competition among these companies which has had a positive effect on the consumer. For instance, calling costs have decreased in comparison to five years ago. In addition, the companies have had to become more innovative for the purpose of surviving in the market and be relevant. This has seen the introduction of Mobile phone money transfer, mobile phone bill payments, mobile phone banking, and many other services that have revolutionized the way we carry out business in Kenya, (CCK, Report, 2012).

As at 31st March 2019, there were 51.0million active mobile subscribers countrywide which was an increase from 49.5 million recorded in the previous quarter. At the end of the period, the penetration rate recorded had risen to 106.8, (CAK, Report, 2019). The high level of penetration recorded was attributed to dual SIM ownership by customers whose main intention is to take advantage of the voice/data offers by different providers. Growth in mobile subscriptions indicates that the operators are determined to increase their customer base and increase the access to telephony services countrywide. There has been a continuous growth in mobile telephony subscriptions while subscriptions to main fixed line continue to record negative growth (CAK, Report, 2019).

To ensure that there is effective competition in the market, thee communication commission in April 2011, did introduce the Mobile Number Portability (MNP), service allowing customers flexibility as well as convenience of retaining subscribers number in case they switch service providers. From its inception, the service uptake in the market has shown varying signals. Over the quarter being reviewed, total recorded in-ports were 6,646 which was an increase from 2,407 in the previous quarter, translating to a 176.1% increase (CCK, Report, 2012).

1.2 Research Problem

The Mobile Telephony Industry has created many employment opportunities. Its contribution towards growth of the economy has been immense and this is through its effective participation in the telecommunication industry (Miller, 2012). In order to create a sustainable and profitable business, it’s important to have proper organizational policies; firms with clear policies perform better than those companies that lack. Lorenz (2015) observed the world to be complicated and chaotic, therefore there is the need to have strategic organizational policies to support growth of the organization. Service sector, such as the telecommunication industry, need to continuously think in a strategic way about what is happening because this sector is characterized by drastically changing competition and new players can enter easily into the market.

The rapid growth of Kenya's mobile telecommunication industry changed from few operators like Safaricom having a market share of 62.3% to many players joining the market like Airtel and Telkom. The result has been stiff competition in the industry. Further, the operations of the companies are becoming more competitive, highly regulated, and the market is dynamic, they are therefore forced to develop organizational policies that will enhance their performance. Increasing intensity of competition in Kenya's mobile telecommunication industry has negatively affected financial performance of mobile companies with most of them incurring huge losses in the recent past (CAK, 2019).

Empirical studies done includes; Research on impacts of strategic leaders on performance of organizations and corporate policies was conducted by Normann, Stock and Schiereck (2013), The study was conducted in German among Large Listed companies and information was sought from CEOs and CFOs, The study revealed that strategic leaders positively impacted on the corporate policies and firm performance. Bakari (2016) evaluated impacts organizational policies have on performance of employees. Bamburi Cement Company Ltd was targeted, her study revealed that even positive changes require modification of ideas as well as behaviors. Wainaina (2014) studied implementation of strategy and performance of companies in telephony industry in Kenya, and found that top management support acted as propelling force in every stage of strategy implementation process. Sudiyatno (2012) studied company's policy, organizational performance, and value; the study was an empirical research on Indonesia Stock Exchange, where it was established that financial leverage significantly and negatively affects organizational performance.

From the study done there’s limited empirical proof on the association existing between organizational policies and performance, therefore the research gap this study sought to fill by answering the following research questions, is there a relationship between organizational policies and performance of mobile telecommunication companies in Kenya?

1.3 Research Objective

The objective of the study was to establish the relationship between organizational policies and performance of mobile telecommunication companies in Kenya

1.4 Value of the Study

The study is important to the management of mobile telecommunication companies, as it guides them in understanding how strategic organizational policies are of importance in organizational performance. This enables them to put appropriate strategic organizational policies within the organization in order to enhance their organization performance. The study findings greatly benefits management of other companies in other sectors of the economy, it enables them draft strategic organizational policies that guides the organization operations and help in improving organization performance.

Also, the study findings benefits policy makers as they get to understand how strategic organizational policies affects performance of mobile telecommunications companies, this guides them in design policies that help mobile telecommunication companies in adopting the best strategic organizational policies that enhances their performance. The study benefits future scholars and academicians since it acts as foundational basis for other researches conducted in the future and provides additional literature. It also adds more knowledge regarding the association between strategic organizational policies and performance of mobile telecommunication companies. Researchers and academicians can use the study as a reference for future related studies.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter discusses the literature review on effect of organizational policies on performance. The following were discussed; theoretical review, organizational policies in organizations, empirical studies, conceptual framework and summary of literature reviewed.

2.2 Theoretical Review

The purpose of conducting literature review is to provide clear understanding of already existing knowledge base on the research problem. Three theories were reviewed: the theory of competitive advantage, resource-based view and Stakeholder theory.

2.2.1 Stakeholder Theory

There are two key questions that express the main focus of this theory (Freeman, 2010). The first question is 'what's the firm's purpose?' Through this question, the managers are encouraged to express the shared value they have created and the things that bring together their key stakeholders. Through this, the company is able to move forward and generate remarkable performance which is measured in terms of financial metrics in the marketplace and its purpose. The second question is, 'what is management's responsibility towards stakeholders?' This question allow managers to express the way they intent to conduct business especially in line with form of relationship they intent to have with shareholders for the purpose of delivering the intended objective.

This theory covers the realities in the current economy. People are responsible for creating economic value and they do so by coming together and cooperating to better the circumstances of each one of them. It is the responsibility of managers to develop relationships, motivate their shareholders, and create a community where everyone works towards giving their best in delivering promises of the organization. Shareholders play a very important role while the most critical feature in these activities is profit; profits are not the drivers in the process of value creation but rather the result. Majority of the companies have developed and run their activities in terms that are highly related with stakeholder theory.

These companies also consider their success to be greatly dependent on values as well as their relations with stakeholders. Employees are a major stakeholder in most firms. Employee management strategy has the ability to challenge and motivate employees thus influence firm performance. One key assumption of this theory is that in doing any business, values are necessary and explicit and rejects the thesis of separation (Freeman, 2010). It turns out that customer service strategy could offer a better return on organization investment of time, money and resources.

2.2.2 Theory of Competitive Advantage

According to Porter (1980), competitive strategies are categorized differently depending on the source of competitive advantage ad they include differentiation, market niches and cost leadership. Resource Based View (RBV) was borne later from the great emphasis on analysis done at the company level. According to Corbett (2008), a company can be very competitive in the market through its internal competencies. Despite Porter's (1980) generic strategies being useful, they are not adequate in allowing the organization to attain sustainable competitiveness. This study focuses on policies of innovation and combination; the source of combination policies is from combining previously mentioned generic strategies.

Debate exists on the ability of an organization to differentiate its products and at the same time pursue the low-cost strategy (Allen & Helms, 2006). Nonetheless, cost-leadership and differentiation strategies are disjoint. Through the strategy of innovation, creation of new services as well as products and their implementation is facilitated (Robbins, 2011). According to Covey (2015), the shared mission and vision of the organization which focuses on the future is the source of creativity and innovation.

2.2.3 Resource-Based View

Key assumption of RBV is that an organization is combination of various resources as well as capabilities. The resource and capability companies are competing for can be bought/sold, inimitable, rare, valuable, and cannot be substituted for. The emphasis of this approach is an inside-out strategy where a company utilizes its unique resources and capabilities in order for them to perform better than their competitors (Barney, 2006). Creation of capabilities is very important to ensure that the resources being provided have the ability of meeting customer needs. There are several activities and processes that can be utilized for their execution: individual characterized by their knowledge, skills, experience and talents; machinery and other devices characterized; tools and methodologies that have been installed in the company, and/or different forms of tangible assets like building, and intangible ones like brand names and patents (Barney, 2006).

Resource-Based View regard finance, human resources, technology and marketing as organizational resources (Barney, 2006). According to Porter's (1985) definition of marketing it is in special reference to differentiation as firm's competitive strategy. For marketing strategy to be effective, it is important to have special skills that allow the business to communicate to the target market the products as well as services they are offering. The RBV argues that technology strategies positively relate with organizational performance (Barney, 2006). This theory encourages the organization to promote competitive advantage, achieving organizational excellence, gaining organizational advantage, and enhancing organizational performance and sustainability. Technical innovation is innovation that is related with manufacturing, product and facilities (Liao *et al.,* 2008).

2.3 Organizational Policies

This section discusses the organizational policies adopted in the organization. The policies discussed include;

2.3.1 Operational Policies

The instruments and practices an organization utilized when rationalizing and improving its work through the existing knowledge and technology is what is termed as the operational policies. Some of the policies are decision structures, team synergy, methods, standards, procedures and systems yielding high performance and constantly changes depending on changes in situations (Hunger & Wheelen, 2010). Some of the goals that are addressed by these policies include creating a community that is vibrant, elimination of waste and inequalities, reducing employee rates of absenteeism and turnover. Guidelines that can be used in benchmarking organizational performance are very important is setting standards and keeping an eye on organizational progress (Robinson, 2014).

2.3.2 Productivity Policies

This entails all the policies on productivity. Also, it tries to increase the speed in which decisions are made and the capacity of the company to respond to decision demands. Through these policies, professionals and management is protected from adhocracy details that negatively affect their creativity and performance. Through creation of policies that facilitate decision making fast at the front, there will be less ad hoc consultations required for those situations that are repetitive and require responses that are already predictable. In order to reduce the duplication of management's effort, decisions that are programmed are developed in advance (Kapto & Njeru, 2014). By having operational policies that are flexible, decentralization, virtual work, trading partnership and outsourcing is facilitated (Muthoka & Wario, 2014).

2.3.3 Quality-Management Policies

Through policies on quality management, it gives a set of principles that guide the organization as it tries to anticipate and meet all the needs of its customers. Quality is more than just creating and delivering better products and services, in constitutes of the entire economic system of the organization and considers the cost its interventions have on the society (Akingbade, 2014). Another important part in quality management is policies to recover lost/dissatisfied customers. In cases where the feasible, stable decisions rules need to be changes into algorithms and be re-programmed and automated especially where it is necessary to have organizational response (Anosoff, 2012). After every five years, it's important to have a major reengineering. Once the operation policies have been adopted and streamlined, especially the ones that relate with compliance of regulations and work rules, they need to be maintained at autopilot as they are reviewed, in less than one year allowing the company to direct its focus on its mission (Wanjere, 2014).

2.4 Organization Performance Measures

This section discusses the organization performance measures that will be adopted in in the study.

2.4.1 Return on Assets

Return on Assets (ROA) is one such measure that can effectively outline the performance of a firm. Higher ROA show the effective use of the firm assets to generate value for the shareholders (Ivanov & Mayorova, 2015). It is an essential measure of the effectiveness in the use of resources. Return on assets shows the returns or revenue gotten from investments using capital (assets) (Selvan, 2016). This means that when ROA is used as a comparative measure it is prudent to compare it with the firms ROA scores or to the ROA of a similar firm. The firm assets are made up of debt and capital with both financing options used to fund the firm investments. A high ROA is good for the firm since it shows the organization is earning good money using a lower investment.

2.4.2 Return on Equity

The Return On Equity (ROE) is the ratio of net income to total equity indicating returns to shareholders on the book value of their investment. It measures the rate of return for ownership interest (shareholders) equity of common stock owner; it tells how efficient a firm/bank is at generating profits from each unit of shareholder equity, also known as net assets or assets minus liabilities. ROE is known as good profitability multiplier for the reason that equity multiplier does not influence it (Saeed, 2014). With ROE it is possible to compare companies in the same industry or diverse industry when ROA and ROE is employed as a proxy for profitability (Devinaga, 2010).

2.5 Empirical Studies

Bakari (2016) evaluated impacts organizational policies have on performance of employees. Bamburi Cement Company Ltd was targeted. Descriptive research design was adopted. From collected data, it was established that even with positive changes, there is need for modification of entrenched ideas and behaviors. Workplace transformations can have effects of various individuals and their reactions to the change might be different. Not unless there are new policies and practices established, performance of the organization might be affected negatively since employees are used to their ways of accomplishing tasks or expect differently from their personal behavior.

Kamau, Kibuine and Mugambi (2018) did a study on effectiveness of strategic drivers on performance of selected channeled product ICT companies in Nairobi, Kenya. Researchers focus was on establishing effectiveness of strategic drivers on the way some channeled products of ICT performed. To answer the research question, cross-section research design was adopted. 12 distribution firms that deal with channeled ICT products in Nairobi were targeted. Out of the 12 firms, a total population of 309 employees was selected. Semi structured questionnaire was the adopted tool for collecting primary data. From collected data, it was revealed that firm strategies and capabilities were positively and significantly related.

Research on impacts of strategic leaders on performance of organizations and corporate policies was conducted by Schiereck and Normann, (2013). The study was conducted in

German among Large Listed companies and information was sought from CEOs and CFOs. The study sought to determine whether, how much, and under what conditions the strategic leadership matter to company's fate. Panel data collected for two decades from 110 companies was used and the main focus was to establish the influence of CEOs in the setting of US. From analyzed data, it was established that the influence of CEOs on organizational performance and policies of transaction is higher compared to that of CFOs, while the influence of CFOs is great on policies of funding. It was also revealed that based on the size of the firm and ownership characteristics, managerial discretion can have moderating effect on the influence of CEOs and CFOs. Nonetheless, it was established that the influence of strategic leadership is influenced moderately by changes in discretion of management.

2.6 Conceptual Framework

Through the conceptual framework, the association existing between variables under investigation is seen. Figure 2.1 shows relation between organizational policies and organizational performance.

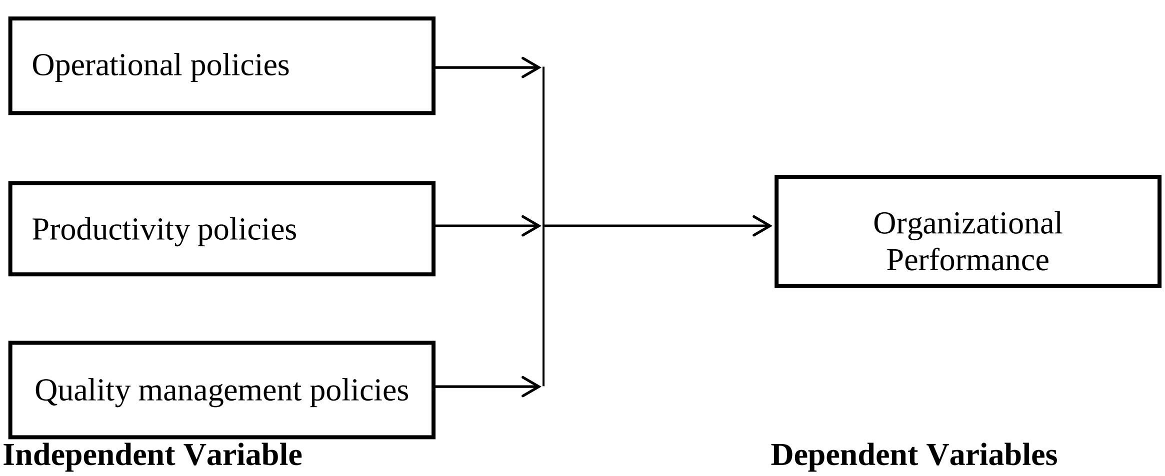

Figure 2.1: Conceptual Framework

2.7 Summary of Literature

The reviewed literature has explained the effect of organizational policies on performance. Organization policies which include; operational policies, fundamental values, productivity policies and quality management have also been discussed. The chapter has explained performance indicators adopted in the study that is market share and profitability. The conceptual framework has outlined the association of variables being studied.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes research methodology that was applied to solve the research problem. The chapter specifically covers research design, target population, sample size and sampling technique, data collection, data analysis and presentation.

3.2 Research Design

A research design is the plan for selecting the sources and types of information to be used to answer the research question (Saunders, Lewis & Thornhill, 2012). The study adopted a descriptive cross-sectional survey. According to Cooper and Schindler (2014), cross sectional studies are carried out once. Descriptive cross sectional in nature is a technique of gathering information by questioning those individuals who the object of the research are and belonging to a representative sample, through a standardized questioning procedure with the aim of studying relationships between variables at a particular time (Carr & Seto, 2013). This design was appropriate because the study seeks to establish the relationship between organizational policies and performance of mobile telecommunication companies in Kenya

3.3 Target Population

This study focused on four major telecommunication firms operating in Kenya which are; Safaricom Limited, Airtel Limited, Telkom Kenya and Equitel Limited. The study focused on managerial staffs who are involved in formulating organizational policies for the firm. The four mobile telecommunication companies firms have a total of 178 management staff based at the head office under various departments marketing managers, sales managers, regulatory/corporate affairs managers, human resource manager and finance managers. This population was chosen because they are the ones responsible for formulation and implementation of strategies in the firm and thus they are the most conversant with the study topic.

Table 3.1: Population

Company	Population
Safaricom Limited	52
Airtel Limited	46
Telkom Kenya Limited	38
Equitel	42
Total	**178**

Source: Human Resource Records (2019)

3.4 Sampling Design

Yin (2013) explains that sampling is the procedure of selecting a representative of the total population as much as possible in order to produce a miniature cross section. The study sampled 50% of the population chosen through stratified random sampling. Stratification was based on mobile telecommunication company. The stratified random sampling was chosen due to the sample not being homogeneous and thus ensured equal representation of all the respondents without biasness. The fifty percent (50%) of the population was used as recommended by Kothari (2014) that such a percent is adequate for a descriptive study which has a small population. The target sample was 89 management staff.

Table 3.2: Sample Size

Company	Population	Sample
Safaricom Limited	52	26
Airtel Limited	46	23
Telkom Kenya Limited	38	19
Equitel	42	21
Total	**178**	**89**

3.5 Data Collection Instruments

This study used a questionnaire as data collection tool. The questionnaire had 2-sections. The first section addressed the demographic information; the second section addressed factors affecting employee induction process. The questionnaire was structured consisting of close-ended five-Point Likert scale statements. Questionnaires were preferred because according to Cooper and Schindler (2014) they are effective data collection instruments that allow respondents to give much of their opinions in regard to the research problem (Creswell, 2013). The questionnaires were self-administered to the respondents by the researcher. The researcher also did a follow-up for those respondents who chose to fill the questionnaires at different times.

3.6 Data Analysis and Presentation

Quantitative data collected was analysed by the use of descriptive statistics using SPSS (Version 23). Descriptive statistics such as frequencies, percentage, means and standard deviations were used to analyses 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 were done to establish the relationship between organizational policies and performance of mobile telecommunication companies in Kenya. Data was presented using tables, and pie charts to make them reader friendly. In addition, a multiple regression were used to measure the quantitative data and were analyzed using SPSS too.

CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND DISCUSSION

4.1 Introduction

Collected data was analyzed using SPSS and the results obtained were presented, interpreted and discussed in this chapter. Specifically, this chapter presents findings on general information of respondents, organizational policies and organizational performance. Descriptive statistics which include mean, standard deviation, frequencies and percentages have been used for analysis. Regression analysis was also computed relationship between organizational policies and performance of mobile telecommunication companies in Kenya.

4.2 Response Rate

The study selected a sample of 89 respondents where all respondents were issued with questionnaires for data collection. Out of all questionnaires issued, 71 questionnaires were dully filled and returned and this formed a return rate of 79.8%. This response rate was used for further analysis since it was considered excellent. According to Mugenda and Mugenda (2003) if a researcher achieves a response rate of 50% and above it is adequate for analysis but if the response rate is 60% it is adequate and that of 70% and above is considered to be excellent. Based on this assertion our response rate of 79.8% was considered to be excellent.

Table 4.1: Response Rate

Questionnaire	Frequency	Percent
Returned	71	79.8
Un-returned	18	20.2
Total	**89**	**100.0**

4.3 Demographic Information

This section presents general information of respondents. This study sought demographic information of respondents which included their gender, work experience in the company and in their job positions and level of education.

4.3.1 Gender of Respondents

Determining gender of respondents was important because it helped determine whether the organizations under investigation are gender biased when selecting their management level employees. Table 4.2 presents the findings obtained on gender distribution of respondents.

Table 4.2: Gender of Respondents

Category	Frequency	Percent
Male	44	62.0
Female	27	38.0
Total	**71**	**100.0**

Results presented in Table 4.2 show that majority (62.0%) of the respondents were male while 38.0% were female. This is an indication that the four major telecommunication companies (Safaricom Limited, Airtel Limited, Telkom Kenya and Equitel Limited) were not gender biased when employing their management level employees. The findings also suggest that the study was not gender biased since respondents of both genders have been represented fairly. The telecommunication companies under investigation have adhered to the two-thirds gender rule.

4.3.2 Respondents Length of Service in the Organization

By determining the number of years the respondents have been working in the organization, the study was able to establish whether the respondents are well conversant with the practices of their organization. Table 4.3 presents the results obtained on the duration of time the respondents have been working with their respective organizations.

Table 4.3: Respondents Length of Service in the Organization

Category	Frequency	Percent
< 5 years	10	14.1
6-10 years	22	31.0
11-15 years	26	36.6
Above 16 years	13	18.3
Total	**71**	**100.0**

Results presented in Table 4.3 show that most (36.6%) of the respondents have worked with their organization for 11 to 15 years, 31.0% for 6 to 10 years, 18.3% for more than 16 years, and 14.1% for less than 5 years. From these findings it can be deduced that the respondents used in the study have worked for varied number of years. Most (36.6%) have worked for 11 to 15 years, with only 14.1% having worked for less than 5 years. Therefore, majority of the respondents had worked in their organization long enough and were in a position to provide the information needed by this study.

4.3.3 Respondents Length of Time Serving in their Current Positions

Establishing the length of time the respondents have served at their respective managerial positions was important because it informed the researcher on how conversant the respondents were with organizational policies. Table 4.4 presents the results obtained.

Table 4.4: Respondents Length of Time Serving in their Current Positions

Category	Frequency	Percent
< 5 years	17	23.9
6-10 years	26	36.6
11-15 years	21	29.6
Above 16 years	7	9.9
Total	**71**	**100.0**

Results in Table 4.4 show that most (36.6%) of the respondents have served in their current position for 6 to 10 years, 29.6% for 11 to 15 years, 23.9% for less than 5 years and 9.9% for above 16 years. From these findings, it is observed that respondents have served at their respective managerial positions for varied number of years. Most (36.6%) have served for 6 to 10 years. Therefore, the respondents have served at managerial positions long enough to understand the effects of organizational policies on performance of their organization.

4.3.4 Respondents Highest Level of Education

Understanding the level of education attained by respondents helped in determining how accurate the respondents understood and filled-in the questionnaire. It also helped to determine whether the selected telecommunication companies considered individuals' level of education when selecting management employees. Table 4.5 presents the findings obtained on highest levels of education held by respondents.

Table 4.5: Highest Level of Education

Category	Frequency	Percent
Certificate	3	4.2
Diploma	6	8.5
Degree	34	47.9
Master's	28	39.4
Total	**71**	**100.0**

Results presented in Table 4.5 show that most (47.9%) of the respondents had degree as their highest level of education, 39.4% had masters, 8.5% had diploma and 4.2% had certificate. From the findings it is evident that selected respondents had high levels of education with most having degree and masters levels. This is an indication that the selected telecommunication companies considered the level of education of an individual when selecting their management level employees. The respondents had high level of education that enabled them to clearly understand the questionnaire and provide accurate information.

4.4 Organizational Policies

Using a 5-point Likert scale with 1 being strongly disagree and 5 being strongly agree respondents were asked to indicate their level of agreement with various statements on the association between policies and performance of their company. Table 4.6 presents the findings obtained.

Table 4.6: Strategy Policies and Performance

Statements	1	2	3	4	5	Mean	Std. Dev.
There is good communication system that enable the organization to function well	2	1	2	57	9	3.982	1.370
Problem solving is done at the supervisors level to ensure that it take little time as possible	3	3	5	54	6	3.777	1.275
Employee are guided on areas where they do not understand to improve efficiency	2	2	4	57	6	3.889	1.381
All the organization members work as one large team to achieve the organization goal	4	2	6	55	4	3.738	1.320
All employees are required to adhere to the set ethical requirements	1	4	10	55	1	3.698	1.331
The organization offers flexible working schedule	2	2	4	53	10	3.948	1.263
Some of the organization activities are decentralized to departments	2	2	6	56	6	3.863	1.326
The organization outsource some of its functions to cut costs	3	1	7	52	8	3.836	1.220
The organization has partnered with other organizations such as the banks to offer customers better products	2	3	2	56	8	3.915	1.343
The organization introduces new products to meet some of the unmet customer needs	1	2	2	61	6	3.961	1.476
The organization has adopted technology to allow customers to access their services no matter where they are	2	3	1	62	3	3.856	1.525

The results presented in table 4.6 shows that the mean value for each statement ranged between 3.9 and 3.6 which is an indication that the respondents were in agreement with that various statements that relate to policies and performance. Further, all the standard deviation value were less than 2, an indication that the respondents had similar opinions on all the statements; therefore on average they all agreed. Specifically, the respondents agreed that there is good communication systems that enable the organization to function well (M=3.982), the organization introduces new products to meet some of the unmet customer needs (M=3.961), the organization offers flexible working schedule (M=3.948), the organization has partnered with other organizations such as the banks to offer customers better products (M=3.915), and employee are guided on areas where they do not understand to improve efficiency (M=3.889).

Further, respondents agreed that some of the organization activities are decentralized to departments (M=3.863), the organization has adopted technology to allow customers to access their services no matter where they are (M=3.856), the organization outsource some of its functions to cut costs (M=3.836), problem solving is done at the supervisors level to ensure that it take little time as possible (M=3.777), all the organization members work as one large team to achieve the organization goal (M=3.738), and all employees are required to adhere to the set ethical requirements (M=3.698).

These findings agree with Hunger and Wheelen (2010) who explained that some of the policies that organizations adopt are decision structures, team synergy, methods, standards, procedures and systems yielding high performance and constantly changes depending on changes in situations. It also concurs with Muthoka and Wario (2014) who explained that through operational policies that are flexible, decentralization, virtual work, trading partnership and outsourcing is facilitated; which are responsible for enhancing organizational performance.

4.5 Organizational Performance

Using a 5-point Likert scale with 1 being strongly disagree and 5 being strongly agree respondents indicated their level of agreement with various statements that relate with organizational performance. Table 4.7 presents the findings obtained.

Table 4.7: Organizational Performance

Statements	1	2	3	4	5	Mean	Std. Dev.
Improved market share	1	1	1	63	4	3.955	1.546
Increase in customer base	2	2	4	59	4	3.836	1.426
Improve service delivery	1	1	3	56	9	3.994	1.343
Employee productivity	3	1	4	59	3	3.830	1.441

Results presented in table 4.7 shows that the respondents were in agreement with various statements that relate with organizational performance since the mean values obtained ranged between 3.9 and 3.8. The findings further suggest that on average, the respondents had similar opinions since the standard deviation values are less than 2. Specifically, the respondents were in agreement that their organization has observed improved service delivery (M=3.994), there has been improved market share (M=3.955), customer base has increased (M=3.836) and that there has been improved productivity of employees (M=3.830).

The study findings agree with Saxena (2016) who explained that performance is directly affected by policies in the organization. It also agrees with Horvits (2015) that the growth of an organization is facilitated by organizational policies; this is mainly because it ensures that internal operations of an organization are streamlined and stimulates access to opportunities and market; it also ensures that there is enhanced business-related efficiency, therefore increasing profitability and productivity.

4.5.1 Return on Asset

Performance of the selected telecommunication companies was also assessed using ROA which shows the returns or revenue gotten from investments using capital. Higher ROA show the effective use of the firm assets to generate value for the shareholders. Figure 4.1

shows the trend in ROA of the four telecommunication companies between the year 2015 and 2018.

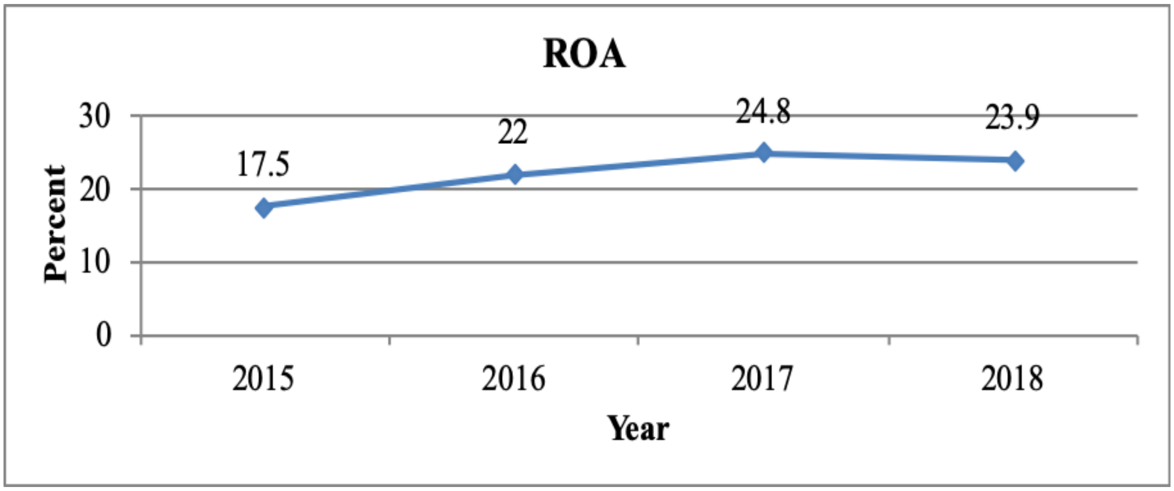

Figure 4.1: Trend in ROA for the Telecommunication Companies

From the findings presented in figure 4.1, there was a steady increase in the ROA of the telecommunication companies from the year 2015 to 2017. In 2017, average ROA was 17.5% which rose to 24.8% in 2017. Further, the findings show that there was a slight decline between the year 2017 and 2018 from 24.8% to 23.9%. These findings therefore suggest that the telecommunication companies have over the year improved their effectiveness in use of their firm assets to generate value for the shareholders as indicated by an upward trend in ROA.

4.5.2 Return on Equity

Performance of the selected telecommunication companies between the year 2015 and 2018 was also assessed using ROE which indicates the returns to shareholders on the book value of their investment. In addition, ROE tells how efficient a firm is, at generating profits from each unit of shareholder equity. Figure 4.2 shows the trend in ROE of the selected telecommunication companies between the year 2015 and 2018.

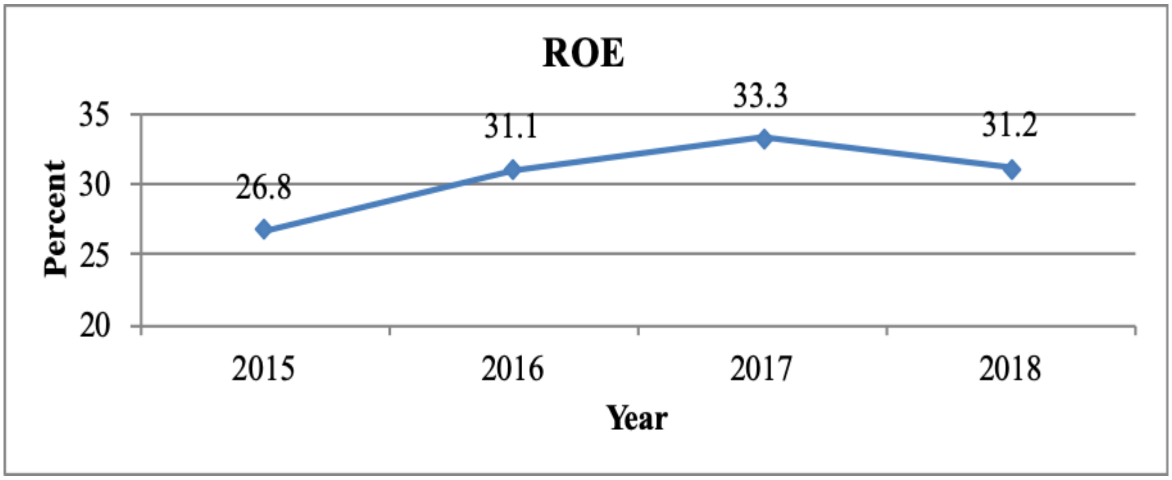

Figure 4.2: Trend in ROE for the Telecommunication Companies

From the findings, there was been a steady increase in ROE among the four selected telecommunication companies between 2015 and 2017. In 2015, on average, the companies recorded ROE of 26.8% which increased to 33.3% in 2017. Further, in 2018, there was a slight decline in ROE recorded by the companies; it declined from 33.3% observed in 2017 to 31.2%. These findings therefore suggest that the telecommunication companies in Kenya have over the years improved in performance by increasing their efficiency in generating profits from each unit of shareholder equity.

4.6 Multiple Regression

The study computed multiple regressions to establish the relationship between organizational policies and performance of mobile telecommunication companies in Kenya. The findings were as discussed in sub-sections here-under.

4.6.1 Model Summary

The amount of changes in the dependent variables that can be explained by changes in the independent variable is usually explained in the model summary. Therefore, this study sought to establish the amount of variation in organizational performance that can be explained by changes in organizational policies. Table 4.8 presents the findings obtained.

Table 4.8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.894[a]	.799	.784	.57787

a. Predictors: (Constant), Organizational Performance

Results presented in table 4.8 show the value of adjusted R^2 to be 0.784 an indication that 78.4% variation in organizational performance of telecommunication companies in Kenya can be attributed to changes in organizational policies. In addition, variation in organizational performance can be explained by other factors that were not discussed in this study as indicated by the remaining 21.6%. The findings also show that organizational performance and organizational policies are strongly and positively correlated (R=0.894).

4.6.2 Analysis of Variance

In order to determine whether the fitted model is significant, ANOVA is computed. In this study, the significance of the model was tested at 5% level of significance. Table 4.9 presents the findings obtained.

Table 4.9: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.302	1	7.302	21.867	.000[b]
	Residual	23.046	69	0.334		
	Total	**30.348**	**70**			

a. Dependent Variable: Organizational Performance
b. Predictors: (Constant), Organizational Policies

From the findings, the p-value obtained (0.000) is less than 0.05 which was the selected level of significance. This therefore suggests that the model is significant. The F-critical value (3.980) is seen to be less than the F-calculated value (21.867); this implies that organizational policies have significant impact on performance of mobile telecommunication companies in Kenya.

4.6.3 Beta Coefficients of the Study Variables

The coefficients table provided the beta coefficients which were fitted on the regression model to form the regression equation used to predict the dependent variable using the independent variables. Table 4.10 presents the beta coefficients for this study.

Table 4.10: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	1.179	0.185		6.375	.000
1	Organizational Policies	0.901	0.147	0.894	6.129	.000

a. Dependent Variable: Organizational Performance

From the results in table 4.10, the following regression equation was fitted;

$$\mathbf{Y = 1.179 + 0.901X + \varepsilon}$$

Where Y is Organizational Performance; X is Organizational Policies, ε is the error term.

From the above regression equation, it is evident that holding organizational policies to a constant zero, organizational performance will be at a constant value of 1.179. The findings further established that organizational policies have positive influence on organizational performance (β=0.901). The influence of organizational, policies was considered to be significant since the p-value obtained (0.000) was less than the selected level of significance (0.05). These findings therefore suggest that organizational, policies positively and significantly influence performance of mobile telecommunication companies in Kenya. It can be observed that increasing organization policies by a single unit results to an increase in organizational performance by 0.901 units.

4.7 Discussion of Findings

The findings obtained from the analysed data were discussed in this section.

4.7.1 Organizational Policies and Performance

Mobile telecommunication companies in Kenya have embraced good communication system that enables the organization to function well. Also, the companies solve their problems at supervisors' level in order to make sure that the problems are resolved within the shortest time possible. This concurs with sentiments of Scott (2014) that organizational policies are responsible for setting guidelines that help in resolving any form of conflict that might arise among goals and spear head any form of ineffective competition that might arise between managers. The mobile telecommunication companies in Kenya also guide their employees on areas where they do not understand; this is done mainly to enhance their efficiency. Also, in order for the companies to achieve their organizational goals, they work together as a team. This concurs with Hunger and Wheelen (2010) who explained that some policies are decision structures and team synergy, which yields high performance and constantly changes depending on changes in situations.

Mobile telecommunication companies in Kenya, have some ethical requirements that their employees must adhere to. Wanjere (2014) explained that once the operation policies have been adopted and streamlined, especially the ones that relate with compliance of regulations and work rules, they need to be maintained at autopilot as they are reviewed, in less than one year allowing the company to direct its focus on its mission which agrees with this study. The mobile telecommunication companies also provide its employees with flexible working schedule, they have some of its organization activities decentralized and for the purpose of cutting production costs they outsource some of the functions required. This agrees with Muthoka and Wario (2014) who assets that by having operational policies that are flexible, decentralization, virtual work, trading partnership and outsourcing is facilitated which in returns results to improved organizational performance.

Mobile telecommunication companies in Kenya have partnered with other organizations such as the banks to offer customers better products. This has been made possible through the adoption of operational policies which according to Muthoka and Wario (2014) having operational policies in an organization make trading partnership and outsourcing possible. The companies are also focused on meeting the unmet customer needs and to achieve this, they introduce new products that match those needs by customers. Also, through the adoption of modern and advanced technology, the mobile telecommunication companies in Kenya have allowed their customers to access their services no matter where they are. The companies have been able to achieve all these through the adoption of quality-management policies. This concurs with Akingbade (2014) that through policies on quality management, principles are developed which guide the organization as it tries to anticipate and meet all the needs of its customers, he added that another important part in quality management is policies to recover lost/dissatisfied customers.

4.7.2 Organizational Performance

Through the adoption of organizational policies which include operational policies, productivity policies, and quality management policies, mobile telecommunication companies have been able to record improved market share, increased customer base. Having a steady growth in number of subscribers indicates that the company is competitive and is keeping up with technological trends and therefore attracting customers and ensuring they are happy with the services provided. Companies try building their business by increasing their market share in respect to their competitors and therefore allow them to make profit from the economies of scale. This concurs with sentiments of Hunger and Wheelen (2015) that sales increase in a slow industry is the inspiration to enlarge the market share.

Organization policies have also allowed the companies to improve service delivery, and increased levels of employee productivity. Also, organizational performance is directly affected by policies in the organization. If the policies in the telecommunication company are improved it will result to an increase in organizational performance. These findings agree with Horvits (2015) that the growth of an organization is facilitated by organizational policies; this is mainly because it ensures that internal operations of an organization are streamlined and stimulates access to opportunities and market; it also ensures that there is enhanced business-related efficiency, therefore increasing profitability and productivity.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter the following were covered: summary of findings, conclusions drawn from the findings, recommendations made there to, limitations of the study and suggestions for further studies. Summary of findings and conclusions made focused on addressing the main objective of the study which was to establish the relationship between organizational policies and performance of mobile telecommunication companies in Kenya.

5.2 Summary of Findings

5.2.1 Organizational Policies

The study found that there is good communication systems that enable the organization to function well, the organization introduces new products to meet some of the unmet customer needs, the organization offers flexible working schedule, the organization has partnered with other organizations such as the banks to offer customers better products, and employee are guided on areas where they do not understand to improve efficiency. Further, the study established that some of the organization activities are decentralized to departments, the organization has adopted technology to allow customers to access their services no matter where they are, the organization outsource some of its functions to cut costs, problem solving is done at the supervisors level to ensure that it take little time as possible, all the organization members work as one large team to achieve the organization goal, and all employees are required to adhere to the set ethical requirements.

5.2.2 Organizational Performance

The study established that mobile telecommunication companies in Kenya have observed improved service delivery, there has been improved market share, customer base has increased and that there has been improved productivity of employees. Performance is directly affected by policies in the organization. Growth of an organization is facilitated by organizational policies. Further, the telecommunication companies have over the year improved their effectiveness in use of their firm assets to generate value for the shareholders as indicated by an upward trend in ROA. The study also found that that the telecommunication companies in Kenya have over the years improved in performance by increasing their efficiency (ROE) in generating profits from each unit of shareholder equity.

5.2.3 Organizational Policies and Organizational Performance

The study established that organizational policies have positive influence on organizational performance. Further, the study established that the influence of organizational, policies was considered to be significant. These findings therefore suggest that organizational, policies positively and significantly influence performance of mobile telecommunication companies in Kenya. The study observed that increasing organization policies by a single unit results to an increase in organizational performance.

5.3 Conclusions

The study found that organizational policies positively influence organizational performance of mobile telecommunication companies in Kenya. The study further established that the influence of organizational policies on organizational performance is significant; therefore suggesting that organizational policies positively and significantly influence organizational performance. Based on these findings, the study concludes that organization policies directly influences organizational performance suggesting that a unit increase in organizational policies will result in an increase in organizational performance.

5.4 Recommendations

The study found that mobile telecommunication companies in Kenya are positively affected by organization policies. The study therefore recommends management of the telecommunication companies to ensure that their policies are well-structured and suitable in order to ensure that the organization functions effectively and improves its performance.

Mobile telecommunication companies should be concerned with operational policies especially policies focused on decision structures and team synergy and ensure they are flexible and adjusts accordingly depending on the current conditions.

The study also recommends the companies to focus more on productivity policies to ensure there is speedy decision making; this ensures that professionals and management is protected from adhocracy details that negatively affect their creativity and performance. Through creation of policies that facilitate decision making fast, there will be less ad hoc consultations required.

The study further recommends the companies to focus more on quality-management policies as strategies that can guide the company in attaining sustainable competitive advantage.

A company having variety of competencies have the ability of remaining competitive in the market. It is recommended for telecommunication companies to embrace mixed strategies which include innovation, cost reduction and enhancement of quality for the purpose of attaining sustainability. An organization has the ability of gaining competitive advantage if it performs the important strategic activities cheaply or better compared to its competitors.

5.5 Limitation of the Study

The main limitation of study is the inability to get all information sought by the study since the mobile telecommunication companies employees are required to maintain confidentially. To solve this problem the researcher provided a letter of introduction from the institution of learning to eliminate the fear respondents might have had and enable them disclose information. Respondents were also assured that the information they provide was used solely for academic purposes and that confidentiality of the information was to be maintained. Data used was from primary sources and was collected using questionnaires. Since the information was obtained from employees of the mobile telecommunication companies, it was not possible to ascertain whether they provided honest information. The study was limited to only three organization policies; operational policies, productivity polices, and quality management policies.

5.6 Suggestion for Further Studies

The main objective of this study was to establish the relationship between organizational policies and performance of mobile telecommunication companies in Kenya. The study considered focused on organization policies. This study therefore recommends a study to be conducted using other policies such us human resource policies and their effects on organizational performance of the telecommunication companies. The study focused on telecommunication companies, the stud therefore recommends replication of the research study in other institutions such as banking institutions to facilitate comparison and generalization of the research findings.

The study further recommends a study to be conducted on the effect of market maturity on competitiveness of mobile telecommunication companies in Kenya.

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APPENDICES

Appendix I: Introductory Letter

Dear Respondents,

<u>RE: DATA COLLECTION</u>

I am a student pursuing master’s at the University of Nairobi. I’m conducting a study about **ORGANIZATIONAL POLICIES AND PERFORMANCE OF MOBILE TELECOMMUNICATION COMPANIES IN KENYA.**

I am writing to ask for your help in filling in the questionnaire with all honesty. Information you provide will be solely for academic purpose and therefore confidentiality will be observed.

Thank you for being willing to take part of this research study.

Yours Faithfully,

Appendix II: Questionnaire

Section A: General Information

1. Kindly indicate your gender

   Male ( ) Female ( )

2. Indicate the years you have been working with the company?

   < 5 years ( )

   6-10 years ( )

   11-15 years ( )

   Above 16 years ( )

3. How long have you been working in your current post?

   < 5 years ( )

   6-10 years ( )

   11-15 years ( )

   Above 16 years ( )

4. Indicate the highest level of education you have?

   Certificate ( )

   Diploma ( )

   Degree ( )

   Master’s ( )

Section B: Organizational Policies

1. To what level do you agree/disagree with following tables statements on the association between strategy policies and performance of your company? Use the scale 1-strongly disagree, 2-disgreee, 3-moderate, 4-agree, 5- strongly agree

Statements	**1**	**2**	**3**	**4**	**5**
There is good communication system that enable the organization to function well					
Problem solving is done at the supervisors level to ensure that it take little time as possible					
Employee are guided on areas where they do not understand to improve efficiency					
All the organization members work as one large team to achieve the organization goal					
All employees are required to adhere to the set ethical requirements					
The organization offers flexible working schedule					
Some of the organization activities are decentralized to departments					
The organization outsource some of its functions to cut costs					
The organization has partnered with other organizations such as the banks to offer customers better products					
The organization introduces new products to meet some of the unmet customer needs					
The organization has adopted technology to allow customers to access their services no matter where they are					

Section C: Performance

2. To what extent do you agree/disagree with following statements regarding performance of your organization? Use the scale 1-strongly disagree, 2-disgreee, 3-moderate, 4-agree, 5- strongly agree

Statements	**1**	**2**	**3**	**4**	**5**
Improved market share					
Increase in customer base					
Improve service delivery					
Employee productivity					

Thank you

Appendix III: Data Collection Sheet

Statements	2015	2016	2017	2018
Return on Assets	17.5	22.0	24.8	23.9
Return on Equity	26.8	31.1	33.3	31.2