

**THE INFLUENCE OF BRANDING ON EMPLOYEE
ATTITUDE AND PERCEPTIONS IN THE BANKING
INDUSTRY IN KENYA
A CASE STUDY OF FOUR BANKS**

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BY

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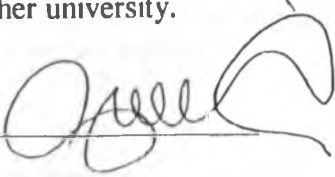
**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN
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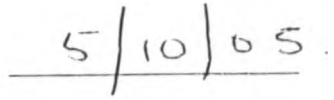


DECLARATION

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



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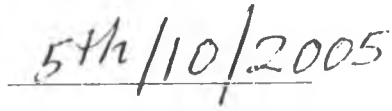


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This project has been submitted for examination with my approval as the university supervisor.



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DECLARATION

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

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Date

This project has been submitted for examination with my approval as the university supervisor.

Dr. Martin Ogutu

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Department of Business Administration.

DEDICATION

To my late father Prof. S.H. Ominde and my late mother Mary Ominde without whom nothing would have been possible. I wish you were here to share in my joy and happiness.

To my daughter Evonne for her patience, love and support, and my “sons” Joseph and Naaman Geda for running around to make things happen.

GOD BLESS YOU ALL.

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Finally I acknowledge Rebecca and Sang, who appeared on my doorstep from nowhere like a blessing and took up the challenge to drive me through the final stages of my research.

LIST OF ABBREVIATIONS

BBK.....	Barclays Bank of Kenya
CoopBank.....	Cooperative Bank of Kenya
FMCG.....	Fast Moving Consumer Goods
HFCK.....	Housing Finance Company of Kenya
KCB.....	Kenya Commercial Bank Ltd.
NIC.....	National Industrial Credit Bank
P&G.....	Proctor and Gamble
SCB.....	Standard Chartered Bank

LIST OF TABLES

	Page
Table 1: Enjoyment of their Jobs.....	23
Table 2: sense of belonging.....	24
Table 3: Proud of the bank.....	25
Table 4: Salary fully compensates.....	26
Table 5: Uncomfortable to communicate views openly to seniors	27
Table 6: Jobs allowing full utilization of skills.....	28
Table 7: Clear understanding of job role in helping bank meet its objectives.	29
Table 8: Training adequately to enable efficient performance.....	30
Table 9: Empowered to suggest improvement in work processes	31
Table 10: Knowledge of the Bank’s Vision and Values.....	32
Table 11: Importance of Staff to the Bank.....	33
Table 12: Staff understanding of their duties and responsibilities.....	34
Table 13: Rumours than Official communication.....	35
Table 14: Job processes long and inefficient.....	36
Table 15: Employees are helpful to customers.....	37
Table 16: How customers are treated can affect the bank’s profits.....	38
Table 17: Know when customers are unhappy.....	39
Table 18: Greet customers.....	40
Table 19: Impact on customer perception	41
Table 20: Customers feel free to complain to the employees.....	42
Table 21: Happy employee, happy customers.....	43
Table 22: Tell potential customers about the bank.....	44

Table 23:Customer know employees by name.....	45
Table 24:Know customers by name.....	46
Table 25: Talk with customers on personal level.....	47
Table 26: Dislike talking to customers.....	48
Table 27: Too busy to sell banks products	49
Table 28: Love meeting new people.....	50
Table 29: Customers complains concern employee.....	51
Table 30: Sound business strategy	52
Table 31: Clear vision and values.....	53
Table 32: Effective leadership.....	54
Table 33: Positive external corporate image.....	55
Table 34: Being a company employees are proud to work for.....	56
Table 35: Strong well known brand compared to competitors.....	57
Table 36: Professionalism.....	58
Table 37: Management that meets employee needs.....	59
Table 38: Management that encourages upward communication.....	60
Table 39: Strong focus on recognition and individual employee achievement.....	61
Table 40: Strong focus on teamwork between different functions and department... 	62
Table 41: Timely adjustment of internal process and procedures to external Customer needs.....	63
Table 42: Stays ahead of competitors activities.....	64
Table 43: Strong focus on improvement of processes and procedures.....	65
Table 44: Modern management practices.....	66
Table 45: Competitive products.....	67
Table 46: Modern physical facilities.....	68
Table 47: Strong external customer focus.....	69
Table 48 Initial Factor Solution for Employee Attitude to Work.....	70

Table 49 Raw Components Matrix Extraction for Employee Attitude to Work.....	71
Table 50 Rotated Component Matrix for Employee Attitude to Work.....	72
Table 51 Initial Factor Solution for Employee Relationship with Customer.....	74
Table 52 Raw Components Matrix Extraction for Employee Relationship with Customers.....	75
Table 53 Rotated Component Matrix for Employee Relationship with Customers.....	76
Table 54 Initial Factor Solution for Employee Perception of the Bank.....	78
Table 55 Raw Components Matrix Extraction for Employee Perception of the Bank.....	79
Table 56 Rotated Component Matrix for Employee Perception of the Bank.....	80

TABLE OF CONTENTS

	PAGE
DECLARATION.....	i
DEDICATION.....	ii
ACKNOWLEDGEMENT.....	iii
LIST OF ABBREVIATIONS.....	v
LIST OF TABLES	vi
LIST OF FIGURES	vii
ABSTRACT.....	x
CHAPTER ONE : INTRODUCTION	
1.1 Background.....	1
1.2 The Research Problem.....	6
1.3 The Research Objectives.....	8
1.4 The Significance of the Study.....	8
1.5 The Structure of the Research.....	8
CHAPTER TWO: LITERATURE REVIEW	
2.1 Branding.....	9
2.2 Attitude.....	13
2.3 Perception.....	16
CHAPTER THREE : RESEARCH METHODOLOGY	
3.1 Research Design.....	19
3.2 The Case Studies.....	19
3.3 Data Collection.....	20
3.4 Operationalization of Variables.....	20

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1 Introduction.....22
4.2 Employee Attitude to their Work.....22
4.3 Employee Relationship with the Customer.....37
4.4 Employee Perception of the Bank.....52
4.5 Factor Analysis of Employee Attitude to Work.....70
4.6 Factor Analysis of Employee Relationship with the Customer.....74
4.7 Factor Analysis of Employee Perception of the Bank.....78
4.8 Profile of the Respondents.....82

CHAPTER FIVE: CONCLUSION

5.1 Summary, Discussion and83
5.2 Conclusions.....83
5.2 Limitations of the study.....84
5.3 Recommendation for further research.....84
5.4 Recommendations for Policy and Practice.....84

REFERENCES.....85

APPENDICES

Appendix 1 : Research Questionnaires.....88
**Appendix 2 : Letter from Kenya Bankers Association on number of
employees in each bank in the study.....91**
**Appendix 3 : Letter from Kenya Bankers Association on number of
Employees in the Banking Industry in Kenya.....92**

ABSTRACT

The objective of branding is profit oriented and customer focused. It is a widely accepted theory in marketing that a brand is owned by the external customer because brand equity must be based partly on the values and aspirations of the external customer in order for them to accept it.

It has been similarly argued that brand equity in a service organisation should also partly reflect the values and aspirations of the employee or else they may not deliver the brand in a convincing manner thus killing the brand.

There has been a recent fashion of employer branding where organisations market themselves as attractive places to work, whilst encouraging employees to behave in ways that support business strategy and values. They are trying to develop employees who “live the brand” in order for them to act as company advocates and ultimately impact positively on corporate values.

The attitudes and perceptions of the employees towards their work, the employer and the customers is therefore key in ensuring that the brand promise is delivered by employees. If a service organisation satisfies the wants and needs of its employees, it will upgrade its capability of satisfying the wants and needs of its external customers.

In our study it was found that all the three banks generally have positive attitudes towards their work, are of the opinion that they have good relationships with their customers and have a fairly positive perception of the employer (and by extension the mission and values.)

It was therefore established that from the case studies branding had little or no impact on employees in the banking industry.

TABLE OF CONTENTS

	PAGE
DECLARATION.....	i
DEDICATION.....	ii
ACKNOWLEDGEMENT.....	iii
LIST OF ABBREVIATIONS.....	v
LIST OF TABLES	vi
ABSTRACT.....	viii
CHAPTER ONE : INTRODUCTION	
1.1 Background.....	1
1.2 The Research Problem.....	6
1.3 The Research Objectives.....	8
1.4 The Significance of the Study.....	8
1.5 The Structure of the Research.....	8
CHAPTER TWO: LITERATURE REVIEW	
2.1 Branding.....	9
2.2 Attitude.....	13
2.3 Perception.....	17
CHAPTER THREE : RESEARCH METHODOLOGY	
3.1 Research Design.....	20
3.2 The Case Studies.....	20
3.3 Data Collection.....	21
3.4 Operationalization of Variables.....	21

1.1.2 A BRIEF HISTORY OF BRANDING

Branding has been used for centuries by livestock owners worldwide as a means of identifying their stock. It became a necessity in the days when a community's livestock grazed on common ground. A unique pattern or mark was burned into the skin of the livestock in a conspicuous place to identify its ownership.

Aaker (1991) observes that branding has a history that goes back to medieval Europe. Craftsmen and artists used to put unique identifying marks on their work. Customers would seek marks that were identified with quality. Trade guilds also used trademarks to identify the maker of the goods to assure the customer and provide legal protection to the producer. Brands have therefore had a long association with commerce. However, Aaker goes on to state that it was only in the twentieth century that Branding became central to competitors.

The concept of branding a product is, accordingly, not new. Branded products have been sold since the nineteenth century. In Europe for example there is Proctor and Gamble's (P&G) Ivory Soap (1881), Unilever's Sunlight Soap (1881), P&G's Crisco vegetable shortening (1911) just to name a few.

P&G is a striking example of a company that used branding to differentiate products. It has always been willing to develop competing brands in order to serve new market segments even if the new brands pressure or threaten an existing brand. They were also the first to introduce brand management teams in 1931. (Aaker 1991)

In the latter part of the 20th Century, the growth of competition forced companies to reconsider the production concept and the selling concept in favour of a marketing concept which necessitates that companies be better than competitors in creating, delivering and communicating value to its target markets in order to win buyer preference. (Kotler 2000) This is where branding came into its own as a competitive tool.

1.1.3 BRANDING IN THE SERVICE INDUSTRY

Corporate and Services branding are closely linked (Shultz and de Chernatony 2002; Ambler and Barrow 1996; King 1991) It is common for the concepts to be used interchangeably. Given that a services brand relies heavily upon the interaction between employees and consumers, for a service, the corporation is therefore the brand.

Services have grown to dominate the western world and are rapidly growing in developing economies, however there is not much research into services branding (van Riel et al 2001). Research has traditionally relied on the assumption of importing ideas from the classical goods brand management sector (Aaker and Joachimsthaler 2000). Clifton and Maughan (2000) suggest that this may explain the relatively low proportion of valuable services brands.

Since the early 1960's marketers have been using a "four P" marketing mix of Product, Price, Promotion and Place (distribution channels and place of sale) to develop marketing strategies for their products. A commonly used approach to identify values for a new brand is to research consumer needs (Gordon 1999), then develop a manufacturing process and advertising strategy that provides the bases for the brand's values. Marketers would identify the relative impact of changes to their product, pricing, promotion and place on the meeting of objectives and then develop the optimum approach for delivering their strategy.

This is however limited in its application to the marketing of services.

Services involve direct contact between customers and employees as well as processes to support delivery of the service. People and processes are not addressed in the four P's mix. (Dunmore, 2002). Booms and Bitner (1981) proposed that People, Physical Evidence and Processes should be included in the marketing mix. This meant that marketers would need to work closely with colleagues in Human Resources, Operations, Information Technology, and other teams, for the required experience to be delivered to the customer. Therefore marketing is not the sole responsibility of the marketers, but an activity involving the entire organisation. Thus the importance of people in creating a sustainable competitive advantage for the organisation is emphasized.

The implication here is that when branding occurs in service organisation the employees must also align themselves to the brand and deliver it in a way that resonates as honest rather than forced or artificial. Employees also have a greater impact in shaping a brand's values (Berry 2000), any service company needs to be more attentive to their contribution when selecting brand values. (Zeithaml and Bitner 2003; Heskett 1987)

The cover story of Business Week (6th August 2001) states “ A belief in the power of brands and brand management had spread far beyond the traditional consumer-goods marketers who invented the discipline. For companies in almost every industry, brands are important in a way they never were before”

Peters (1997) in his article, “The Brand called You”, espoused the idea that organisations must focus on branding its people. Strapped for competitive advantage in an oversaturated market, organisations of all kinds in the western world are catching on to this reality. They understand that only people can brand products effectively, and that one must sell not just a branded product, but a mass of branded people who stand behind it. There is a growing understanding that success requires a branded corporate personality that is stamped, replicated, and irrevocably marked on the inside of every dedicated individual who is on the payroll.

1.1.4 SERVICES BRANDING IN THE KENYAN CONTEXT

Services Branding is still a very new concept in Kenya. The focus of branding has mainly been on FMCG's. Several companies have however opted for Corporate branding. Successful examples are Kenya Airways, Uchumi Supermarkets, and Safaricom.

In the banking industry Corporate rebranding was borne out of necessity. In earlier part of the 1990's Kenyan banks took advantage of the abnormally high interest rates on government securities and invested their surplus deposits with the Central Bank thus making a killing in profits while denying Kenyans access to credit. Those who were able to access credit were charged exorbitant interest rates bringing many to ruin.

Many companies resorted laying off staff through restructuring or closing down altogether partly due to a non performing economy, soaring inflation and the high interest rate regime, and also partly due to liberalisation of the economy which found many companies unprepared for the influx of cheaper imports.

By the late 1990's, the banking industry in Kenya, was facing very turbulent times. The economy had stagnated and there was increased competition from other non traditional players such as the cooperative movement, due to liberalisation of the financial sector in 1990. The banks also faced an extremely negative image in the public eye. Kenyans

perception of their banks was that they (the banks) were archaic, conservative, insensitive, rigid and only out to make profits at the expense of the people. The traditional banks lost a significant share of their market to the cooperatives.

In addition to this increased globalisation led to customers demanding services and products that matched what was available in the western world.

Some of the major banks opted for Corporate rebranding as a business strategy to change their fortunes. The corporate rebranding strategy involved tangibles such as creating new logos, corporate colours, refurbishing the banking halls, and intangibles such as branding their services, creating a new vision, mission and values as well as training their staff to deliver the new brand promise. The concept is however, still very much in its infancy in the market as only three banks and one financial institution, out of forty- five have adopted it. These are Standard Chartered (SCB), Barclays (BBK), Kenya Commercial Bank (KCB)and Housing Finance Company of Kenya (HFCK). They are still in the process of implementing their new brand. Others have opted to rebrand specific products, examples include Cooperative Bank (Jumbo Junior Children's savings account), National Industrial Credit (NIC) Bank (Move account), and National bank (Goldfish account). The reason for this may be the prohibitive cost implications of a complete Corporate makeover. International banks such as Barclays and Standard Chartered have found the going easier as they were able to leverage on global rebranding strategies by their parent companies.

1.2 THE RESEARCH PROBLEM

Brands and branding have been studied extensively in Kenya.

Mbau (2001) studied brand building activities in the pharmaceutical industry in Kenya.

Hongo (2001) conducted an empirical investigation into the practice of brand extensions in the fast moving consumer goods (FMCG) industry, while Mburu (2001) undertook research on the impact of perceived quality on brand choice in the soft drinks industry.

Other studies are by Kabura (2002) on the usage of brand equity assets in positioning brands in the agrochemical industry and Kwenya (2002) on the impact of branding on consumer choice regarding new domestic sugar brands.

As can be seen none of these studies have focused on the impact of branding on employees.

Currently three major banks and one financial institution have adopted corporate branding as a competitive strategy in the hope that it will attract customers and have a positive impact on their performance.

The objective of branding is therefore profit oriented and customer focused. It is a widely accepted theory in marketing that a brand is owned by the external customer because brand equity must be based partly on the values and aspirations of external customer in order for them to accept it. Aaker (1996) supported this view by arguing that conformance to the organisations quality specifications matters nothing if those specifications do not meet customers perceptions of quality.

It can however similarly be argued that brand equity should also partly reflect the values and aspirations of the employees or else they may not deliver the brand promise in a convincing manner, thus killing the brand.

Dunmore (2002) espouses the idea of internal marketing, inferring that it relates to the things that people do within an organisation that contribute to the achievement of its purpose. In his reference to service industries, Dunmore touches on the recent fashion for "employer branding" where organisations market themselves as attractive places to work, whilst encouraging employees to behave in ways that support business strategy and values.

They are trying to be as flexible with employees as they are with customers with the aim of developing employees who “live the brand” in order for them to act as company advocates, and ultimately impact positively on corporate values.

The attitudes and perceptions of the employees towards their work, the employer, and the customers are therefore key to ensuring that the brand promise is delivered by employees. In other words, a service business sells “performances” that are provided by employees. If a service organisation satisfies the needs and wants of its employees it will upgrade its capability for satisfying the needs and wants of its external customers.

In our study, the implication is that, if the employees attitude towards their work, their perception of the bank (and by extension its mission and values) and also their relationship with the customer are all positive, they will deliver on the brand promise.

This will achieve the goals rebranding the bank. Alternatively, it may be established that branding has little or no impact on employees in the banking industry in Kenya.

Although as reviewed above, brand and branding have been studied in other aspects, its success in having the required outcome on the target market in a service industry such as banking, depends on its effect on the employees. There appears to be no study that has examined the effect of branding on employees. The proposed study will address this.

Whereas the objective of branding in the banking industry is to improve performance, and by extension competitive advantage, whether this is actually being achieved remains unknown.

1.3 RESEARCH OBJECTIVES

This study addresses the following three objectives:

To determine the impact of branding on the employees attitude to their work.

To establish the impact of branding on the employees relationship with the customer

To determine the impact of branding on the employees perception of the bank.

1.4 SIGNIFICANCE OF THE STUDY

Being a service industry, the banks rely on their employees to deliver the brand promise to the customers. It is therefore important to find out how branding has influenced the employees themselves as it has implications in their ability to deliver the brand promise. The results of the study will also provide insights into whether the momentum of branding is being maintained. This will enable the banks fine tune their branding activities to improve on delivery of the brand promise.

1.5 THE STRUCTURE OF THE PROPOSED RESEARCH

The report is organised into five chapters. Chapter one highlights the concept of a brand and branding. It also covers the research problem and the research objectives. Chapter two is the literature review which covers literature on branding, attitudes and perception. Chapter three deals with the research methods used, the research design, the sample frame and data collection methods. Chapter four covers the data analysis method and its results. Finally Chapter five is the conclusion and findings of the research.

CHAPTER TWO

LITERATURE REVIEW

2.1 BRANDING

2.1.1 DEFINITION OF A BRAND

According to Kotler (1996) a brand is a name, term, sign, symbol, or design or a combination of these intended to identify the goods and services of one seller or group of sellers and differentiate them from those of competitors. It therefore refers to a company name, a product name, or a unique identifier such as a logo or trademark.

The concept of branding as we saw in our introduction goes back through centuries. Today's modern concept of branding grew out of the consumer packaged goods industry, and has come to mean much more than just creating a way to identify a product or company. It is used to create emotional attachment to products and companies. It creates a feeling of involvement, a sense of higher quality, and an aura of intangible qualities that surround the brand name, mark or symbol. A brand is therefore an identifiable entity that makes specific promises of value.

Value, constitutes benefits and costs i.e. Functional benefits + Emotional benefits + Monetary costs + Time costs + Energy + Psychic (Kotler, 2000)

According to Kotler (2000) a brand can convey up to six meanings to the consumer:

Using the example of a Mercedes car :

- Attributes - durable, prestigious, well engineered, fast, expensive, high resale value.
- Benefits - Functional, emotional, and self expressive e.g. "I won't have to Buy a car every few years" (durable) or "I am safe in the event of an accident" (well built) or "The car makes me feel important and admired" (expensive)
- Values - High performance, safety, prestige
- Culture - German culture, organised, efficient, high quality
- Personality of user - Implies, wealthy, middle-aged, austere, aggressive, no-nonsense person.

A brand is therefore, nothing more and nothing less, than the promises of value that a company or its products make. These promises can be implied or explicitly stated, but nevertheless, value of some type is promised.

De Chernatony and Dall'Ollmo Riley (1998) noted that there are diverse interpretations of brands, but a widely accepted view is that brands are clusters of functional and emotional values.

Dolak (2003) also refers to brand image, brand awareness, strategic awareness, brand preference and brand points of parity, as success factors of branding.

Dolak defines brand image as consumers' perceptions as the associations they hold in their minds when they think of your brand.

Brand awareness is when people recognize the brand as yours. Strategic awareness is when they understand the distinctive qualities that make your brand better than the competition i.e. your unique selling proposition (USP).

Brand preference occurs when consumers prefer your brand over competing brands.

It is a result of consumers knowing a brand, understanding what is unique about it, connecting emotionally with the brand, making a decision that it is superior to others for a reason or combination of reasons, and choosing it over competing brands.

Dolak also argues that a brand must have points of parity, or those associations that are shared by competing brands. These are the minimum product or service expectations that consumers have in order for them to perceive the brand as being legitimate within its category. In other words, the product or service must have some points of similarity with the competition. This means that apart from offering a USP, a brand must also measure up well against expected criteria to be seen as a viable choice. It should not be too different or it may be unsuccessful.

2.1.2 IDENTIFYING BRAND VALUE

Organizational values and culture are linked to Corporate or brand success. (Deal and Kennedy 1982; Peters and Waterman 1982; Collins and Parras 1998) The competitive advantages of successful service brands are therefore underpinned by their organizational values. This notwithstanding, Ginsberg and Miller (1992) found that many companies "stated" values often do not filter into the day to day life of the organisation.

Davidson (2002) notes that it is common for companies to fail to accurately identify and sustain their values. One reason for this being that the values are not equally attractive to employees, consumers and resource providers.

According to Chernatony, Drury, and Segal-Horn, identifying brand values is not an exact science because they are intangible and open to varying interpretation. Nevertheless they outline two main ways in which they arise. Either from the brand identity of an organisation influenced by the founder, leader, managers or staff (Internal process) or through efforts to map the brand values onto the values of the target market. (External process). The two are not mutually exclusive, and depending on the situation can be complimentary.

Society constantly changes in response to evolving political, social, technological, and economic environments. Thus consumer values also change, this means that brand values also need to be adjusted. Kapferer (1997) noted this. In a service organisation, this will occur at some level as the staff being members of society will also reflect the changing values,

2.1.3 THE ADVANTAGES OF BRANDING

Kapferer (1998) identified several benefits of branding both to consumers and the firm. Though his focus was predominantly on consumer goods, some of the benefits can be related to the service industry.

a. Benefits to the customer

Customers can easily and quickly identify the services offered and to make sense of the offer. The banks in our study offer branded products like personal or business loans. It is now easy for customers to identify which category they fall into. Prior to this banks just offered what one could term a commodity i.e. loans.

The banks have also standardized their service quality levels therefore customers are guaranteed of finding the same standards of service no matter where in the country they bank.

The banks also create characterization . Customers can have confirmation of the self-image that they present to others through the corporate image that branding presents or the positioning of various products, for example, although all three banks have products targeting different segments of the market, SCB is positioned more for high net worth customers as compared to KCB which is positioned as the “peoples” bank. Thus KCB would appeal more to patriots than SCB.

Continuity or satisfaction brought about through familiarity and intimacy with the brand that has been consumed for years, is another benefit. The three banks have been in the market for years KCB started out as Bank of India in 1896, BBK entered the market in 1910 while SCB started in 1912.

Hedonistic satisfaction is another benefit linked to the attractiveness of the brand its logo, its communications, while ethical satisfaction is linked to the responsible behaviour of the brand in its relationship with society (ecology, employment, citizenship, advertising which doesn't shock.)

b. Benefits to the firm

The brand reduces risk. Analysts see firms with strong brands as less risky. The certainty, the guarantee and the removal of risk are included in the price.. Future cash flows are considered more certain with strong brands. Strong brands also benefit from a high degree of loyalty and thus from stability of future sales. The reputation of a brand is a source of demand and lasting attractiveness, the image of superior quality and added value justifying a premium price. The three banks in our study are undoubtedly strong brands.

A dominant brand is an entry barrier to competitors because it acts as a reference in its category. Thus when SCB, KCB and BBK introduce brand extensions, or attempt to enter new markets it is easier as they are well known. They act as a symbol of quality and offer a certain promise, which is valued by the market. The need to create awareness if you had to launch a new product on each of these markets.

A strong brand gives firms time to innovate and catch up with competition because the consumers will not easily abandon their favourite brand.

2.2 ATTITUDE

2.2.1 DEFINITION OF ATTITUDE

Attitude is an enduring organisation of motivational, emotional, perceptual and cognitive processes with respect to an aspect of our environment. (Hawkins et al 1998). They go on to state that it is “a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a given object.” Greenberg and Baron(1995) define attitude as a relatively stable cluster of feelings, beliefs and behavioural predispositions (i.e. intentions), towards a specific object. This implies that attitude is the way we think feel and act towards some aspect of our environment.

Attitude is developed through experience and change as new experiences are gained or influences absorbed. Kotler (2000) avers that attitudes lead people to behave in a fairly consistent way towards similar objects and (therefore) economize on energy and thought. They settle into a consistent pattern that is difficult to change. A change in a single attitude may require major adjustments in other attitudes.

2.2.2. FUNCTIONS OF ATTITUDE

A psychologist, Daniel Katz (as quoted in Solomon,1995) developed the Functional Theory of Attitude to explain how attitudes facilitate social behaviour. Katz avers that attitudes exist because they serve some function for the person.

Katz' described the following categories of functions:

- a. The utilitarian function relates to pleasure or pain, reward or punishment
- b. The Value expressive function relates to expression of central values or self concept
- c. The Ego defensive function serves to protect the individual from internal or external feelings
- d. The Knowledge function serves the need for order, structure or meaning.

According to Katz these functions are key to attitude formation

2.2.3. COMPONENTS OF ATTITUDE

Most researchers agree that attitude has three components: Cognitive, Evaluative, and Behavioural. Solomon (1998) refers to Affect (feel), Behaviour, Cognition(belief) or the ABC model of attitudes.

Greenberg and Baron (1995) discuss them as follows:

a. The cognitive component

The cognitive component consists of an individuals beliefs about an object. These can be several beliefs. They may not necessarily be correct or true, however they merely need to exist in order to influence attitude. These beliefs can be based on experiences or evaluation.

Individuals have unique motivations, personalities, past experiences, reference groups and physical conditions that make them evaluate the same beliefs differently for example individuals within the same culture react in a similar manner to beliefs that are closely associated with their cultural values

b. The Evaluative Component

The evaluative or affective component relates to the individuals feelings or emotional reactions towards an object. Affective reactions may be vague, general feelings developed without cognitive information or based on an actual evaluation of the stimulus. Feelings are often the result of evaluating a specific stimulus, but they can precede and influence cognition.

c. The Behavioural Component

This is the predisposition to act in a certain way, but it may not be predictive of actual behaviour. Hawkins et al (1998) state that the behavioural component is manifested by the individuals behavioural intentions with respect to specific attributes, or one's tendency to respond in a certain manner towards an object or activity. They go on to say that our actual behaviors reflect these intentions as they are modified by the situation in which they occur.

Solomon (1994) also refers to hierarchies of effect, where the relative importance of each component will vary depending on a consumers level of motivation toward the attitude object.

Attitude researchers traditionally assumed that the order of attitude creation was based on cognitive information processing i.e. cognitions followed by evaluation or affect followed by some action or behaviour. However depending on consumer level of involvement, and circumstances, attitudes can result from other hierarchies of effects e.g. Beliefs to behaviour to affect (behavioural learning) or affect to behaviour to belief (hedonistic consumption). There is usually consistency among attitudinal components i.e. some parts of an attitude may be altered to be in line with others. This is supported by theoretical approaches to attitude. E.g. Cognitive dissonance, Balance theory and Congruity theory.

2.2.4. NATURE OF EMPLOYEE ATTITUDES

Work related attitudes have profound effects on the way we perform and the quality of life we experience while at work.

Employee attitude can be defined as the feelings and beliefs that largely determine how an employee will perceive their environment, commit themselves to intended actions and ultimately behave. It develops over a long period of time. (Newstrom and Davis 1993).

Employee attitude therefore affects perception.

Employee attitude within organisations is affected by factors relating to the organization and to the individual employee.

Organizational culture or its values and norms play a major role as well as management style or management behaviour and the influence of reference groups. Other factors are policies regarding pay, recognition, promotion and quality of working life. (Armstrong, 2001). Individual factors include job satisfaction, job involvement and organizational commitment.

One of our objectives is to understand the impact of branding on the attitude of banks employees towards their work, in other words we want to see whether or not exposure to the stimulus of branding influences employee attitudes. This will involve measuring and analysing the attitude of the different banks employees, towards their work, based on the factors that affect employee attitude.

2.3 PERCEPTION

2.3.1 DEFINITION OF PERCEPTION

Perception as defined by Schiffman (1995) is the process by which an individual selects, organizes, and interprets information. Kotler (2000) adds that the process is used to create a meaningful picture of the world.

Hawkins, Best and Coney (1998) state that perception depends not only on the character of the physical stimulus, but also on the relation of the stimulus to the surrounding field and on conditions within the stimulus. It also depends on characteristics of the individual. Stimulus factors that affect perception are basically its physical characteristics such as size and intensity, colour and movement, position, isolation, format, context and information quality.

Individual factors are basically interest or need. Interest is a reflection of the overall lifestyle, long term goals and plans (which are influenced by situation) and ability to seek information.

Situational factors include the stimulus in its environment and the temporary characteristics of the individual induced by the environment eg. Time pressures.

According to Hawkins, Best and Coney (1998), perception is a component of information processing. They define information processing as a series of activities by which stimuli are perceived, transformed into information and stored to either short term or long term memory.

Perception and memory are extremely selective. Individuals are not passive recipients of information, they determine the messages they will encounter as well as the meaning they assign to them. This is known as perceptual defenses.

2.3.2. COMPONENTS OF PERCEPTION

Hawkins et al go on to state that the components of perception are exposure, attention and interpretation, after which there is storage.

A. EXPOSURE

Exposure occurs when the stimulus comes into the range of a persons extra sensory nerves, i.e. it is placed within the individuals environment. this implies that there is no need for the individual to receive the stimulus.

B. ATTENTION

Attention occurs when the receptor nerves pass the sensations to the brain for processing. The implication is that the person recognizes the stimulus and therefore attends to it by passing sensations to the brain.

Most of the stimuli that a person is exposed to are self inflicted. In other words we deliberately seek out some and avoid others. This is because we seek information that we think will help us achieve our goals which may be immediate or long range. We selectively attend to stimuli that attract us (stimulus factors) or personally interest us (individual factors). These factors are moderated by the situations in which they occur (situational factors).

C. INTERPRETATION

Interpretation is the assignment of meaning to the received sensations. It is a function of the pattern formed by the characteristics of the stimulus, the individual, and the situation or environment. However it is usually more a function of the individual than the stimulus itself. It is more a result of individual learning and expectations, triggered by the stimulus and moderated by the situation in which it is received.

Interpretation includes:

- i. Cognitive interpretation where the stimulus is placed in an existing category of meaning, and in addition influences the old category. It may not be a reflection of reality but a function of social norms versus individual norms
- ii. Affective interpretation is the emotional response to the stimulus. It also includes social norms versus individual norms.

2.3.3. SOCIAL PERCEPTION

In the workplace people are continually trying to understand the people they work with and the organisation, in order to figure out what they do and why they do it as a means of learning how to respond in the work situation. Greenberg and Baron (1995) refer to this as social perception. They define social perception as the process of combining, integrating and interpreting information about others to gain information to gain understanding of them.

Social perception is a complex process, it not only to do with what people in an organisation are actually like (subjective characteristics), but also the also the characteristics and experiences of the people perceiving them (perceiver variables).

According to Newstrom and Davis, employees see their work worlds differently for a variety of reasons. They may differ in :

- a. Individual characteristics i.e. personalities, needs , demographic factors, and past experiences.
- b. Environmental factors i.e. physical settings, time periods or social surroundings.

In our study, we are seeking to assess how branding impacts on employees social perception of their bank and their customers.

CHAPTER THREE

RESEARCH METHODOLOGY

This study is based on primary research on branding in the banking industry in Kenya.

3.1 RESEARCH DESIGN

The research cover KCB and SCB both of which have opted for rebranding and NBK and CoopBank both of which have not rebranded.

The sample population targets 160 bank employees, i.e. 40 from each bank.

The sample design will be stratified. 10 respondents will be chosen from the 4 cadres of staff, i.e. Managerial, Supervisory, Clerical and Subordinate.

3.2 THE CASE STUDIES

According to a report by Kenya Bankers Employers Association The total number of commercial bank employees in the industry were 11,037 as at 31st December 2004

The three commercial banks that have rebranded have a combined workforce of 5463 employees. KCB is the largest bank with 2731 employees, BBK follows with 1737 employees while SCB has 995 employees. Our research design targets employees of KCB and SCB from the banks that have rebranded, giving us a total of 3726 out of 5463 or 68% (approximately two thirds) of commercial bank employees that have undergone rebranding. Therefore the two selected banks that have rebranded are expected to reflect a picture that would be expected from other commercial banks if they opted for rebranding.

The remaining banks that have not rebranded have a combined workforce of 5574

The banks selected for our research have a combined workforce of 1995 NBK has 912 employees while CoopBank has 1083. This gives us 36% of the commercial bank employees that have not undergone rebranding.

Given these figures, it is also expected that the targeted employees will give an equitable representation of the views, perceptions and attitudes of commercial bank employees in the environments where rebranding not occurred.

The only other financial institution that has opted for corporate branding is The Housing Finance Company of Kenya. It is a mortgage finance company not a commercial bank therefore the experiences, perceptions and expectations of their employees may be different from those of commercial bank employees. Mortgages are long term they may last up to twenty years. They cannot be easily transferred to other institutions due to the costs and processes involved, and also due to the fact that other companies in the mortgage industry discourage transfers. Borrowers therefore rarely move. Their relationship with the employees of the company may not be comparable to the relationships between commercial bank employees and their customers. The company was therefore not considered for the study.

3.3 DATA COLLECTION

Primary data for the rebranded banks will be collected through the use of a semi structured questionnaire.(see appendix 1), targeting employees who are working at four levels (ie. Management, Supervisory, Clerical and Subordinate.) in various branches countrywide. In the rebranded banks, the questionnaire will be administered only to those who were employed prior to the rebranding exercise.

3.4 OPERATIONALIZATION OF VARIABLES

Three constructs will be measured as follows:

- i. Employee attitude to their work: A Likert attitude scale has been used.(See appendix 1 part A)
- ii. Employee relationship with customers : A Likert attitude scale has been used.(See appendix 1 part B)
- iii. Employee perception of their employer : A Likert type attitude scale has been used.(See appendix 1 part C)

The questionnaire is divided into four parts. Part one collects data on the impact of branding on employee attitude towards their work. Part two focuses on the impact of branding on employee relationships with the customer.

Part three centers on employees perception of the bank. Part four collects demographic data on the employees.

The questionnaire was sent to the respective Human Resources Manager of each bank for onwards transmission to the Branch Managers, who were responsible for distributing them to and collecting them from the targeted employees . The Branch Managers were the contact point for the research team. This was to ensure closer monitoring and control of the data collection exercise as the Branch Manager who is in direct contact with the employee could be contacted on telephone or personally if necessary, to follow up the questionnaires and ensure that they were sent back to the Human Resources Manager by a specific deadline. The questionnaires were then collected from the Human Resources Manager.

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1 Introduction

The survey was carried out in three commercial banks operating and with their headquarters in Nairobi Kenya. These were Kenya Commercial Bank, Cooperative Bank and National Bank. The fourth bank Standard Chartered bank declined to participate in the survey.

Out of the targeted ninety respondents from all the banks, 81 responded which was equivalent to a response rate of 90%.

The questions were grouped according to various factors which are seen as key indicators that measure the staff attitude to their work, their relationship with their customers and their perception of their employer. A comparison of the responses from the staff of the banks that participated was made using percentages. The focus of the comparison is to see which of the banks performs better in the eyes of the staff.

Factor analysis method was also used in analyzing the data.

4.2 Comparative Analysis of Employees Attitude to Their Work

To determine the influence of branding on employees attitude to their work, the questions were grouped to measure motivating factors, disempowering factors, rallying factors and bureaucratic factors. The results were tabulated to compare the different banks.

4.2.1. Factor 1 Motivating

- I enjoy my job in the bank.

Table 1: Enjoyment of their Jobs

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	30	46	52	42
Agree	57	46	40	48
Neither agree nor disagree	10		8	6
Disagree	3	8		4
Total	100	100	100	100

Co-op and NBK have a higher percentage of staff who enjoy their work compared with KCB. However, Co-op also has a higher percentage at 8% of those who do not enjoy their work.

- I feel I belong the team.

Table 2: Sense of belonging

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	20	42	36	32
Agree	63	50	56	57
Neither agree nor disagree	7	4	4	5
Disagree	7	4	4	5
Strongly disagree	3			1
Total	100	100	100	100

Co-op and NBK have a higher percentage of staff who feel they belong to a team. However, KCB has the highest at 10% of staff who do not feel they belong to a team.

- I am proud of my bank

Table 3: Proud of the bank

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	50	62	72	61
Agree	40	31	28	33
Neither agree nor disagree	7	8		5
Disagree	3			1
Total	100	100	100	100

NBK staff at 100% are prouder than the others of their bank. Coop also performed better than KCB.

- My salary and benefits fully compensate me for the work I do

Table 4: Salary fully compensates

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree		4		1
Agree	30	23	40	31
Neither agree nor disagree	20	35	36	30
Disagree	33	35	20	30
Strongly disagree	17	4	4	9
Total	100	100	100	100

NBK and Coopbank staff are more satisfied with their salaries than KCB staff.

Summary

Basically staff of NBK have an better attitude as based on the motivating factors in the questionnaire., followed by CoopBank. Therefore the branding of KCB does not influence the factor.

4.2.2. Factor 2-Disempowering

- I am uncomfortable communicating my views openly to my seniors

Table 5: Uncomfortable to communicate views openly to seniors

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	3	12	4	6
Agree	13	12	8	11
Neither agree nor disagree	13	15	4	11
Disagree	63	42	64	57
Strongly disagree	7	19	20	15
Total	100	100	100	100

Communicating my views openly to my senior. Coop and KCB have a higher percentage of staff who are uncomfortable communicating their views openly to their seniors compared to NBK. However, NBK has a higher percentage at 84% of staff who are comfortable communicating their views openly to their seniors.

- My job does not allow me to fully utilize my skills

Table 6: Jobs not allowing full utilization of skills

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	10	12	4	9
Agree	30	27	16	25
Neither agree nor disagree	17	19	24	20
Disagree	40	39	48	42
Strongly disagree	3	4	8	5
Total	100	100	100	100

KCB and Coop bank have a higher percentage of staff who feel that their job does not allow them to fully utilize their skills than NBK. On the other hand, NBK has a higher percentage of staff at 56% who feel that their job allows them to fully utilize their skills.

- My role in helping the bank to meet its business objectives is not clear

Table 7: Unclear understanding of the job role in helping bank meet its objectives.

	Bank Name			Banks' Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	7	15	12	11
Agree	10	8	4	7
Neither agree nor disagree	10		8	6
Disagree	50	50	40	47
Strongly disagree	23	27	36	28
Total	100	100	100	100

More staff of Coop bank feel that their role in helping the bank meet its business objectives is not clear compared to KCB and NBK. Coop bank also has more staff at 77% who feel that their role in helping the bank meet its business objectives is clear compared with KCB and NBK which are at 73% and 76% respectively.

- I have not received adequate training to enable me perform my duties efficiently

Table8: Inadequate training to enable efficient performance

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	10	35	28	24
Agree	57	39	52	49
Neither agree nor disagree	7	12	20	12
Disagree	23	15		14
Strongly disagree	3			1
Total	100	100	100	100

More staff of KCB feel that they have received adequate training to enable them perform their duties efficiently followed by Coopbank and then NBK. However, overall the staff generally feel inadequately trained with NBK topping the list.

- I am not empowered to suggest improvement in work processes.

Table 9: Not Empowered to suggest improvement in work processes

	Bank Name			Total (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	3	19	12	11
Agree	43	50	56	49
Neither agree nor disagree	33	15	12	21
Disagree	17	12	16	15
Strongly disagree	3	4	4	4
Total	100	100	100	100

KCB and NBK have more staff that feel empowered to suggest improvement in work. However a high percentage of staff feel disempowered starting with CoopBank at 69%

Summary

Staff at Coopbank feel more disempowered at their working places compared to NBK and KCB.

4.2.3. Factor 3-Valuing

- I know my banks visions and values

Table 10: Knowledge of the Bank's Vision and Values

	BANK			Total Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	33	50	52	44
Agree	63	50	36	51
Neither agree nor disagree	4		8	4
Disagree			4	1
Total		100	100	100

More staff of Coop bank feel they know their bank is visions and values compared with KCB and NBK. However NBK has a higher percentage of staff at 4% who do not know their bank's visions and values.

- I am an important person to the bank

Table 11: Importance of Staff to the Banks

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	27	46	48	40
Agree	60	46	40	49
Neither agree nor disagree	3	4	8	5
Disagree	7		4	4
Strongly disagree	3	4		3
Total	100	100	100	100

More staff of Coop bank feel that they are important persons to the bank compared with KCB and NBK. NBK still performed better than KCB. On the other hand, KCB has more staff who feel that they are not important persons to the bank.

- I clearly understand my duties and responsibilities

Table 12: Staff understanding of their duties and responsibilities

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	53	65	64	61
Agree	40	35	36	37
Neither agree nor disagree	7			3
Total	100	100	100	100

Staff of Coop bank and NBK clearly understand their duties and responsibilities.

Summary

Staff of Coop and NBK have a better attitude on the factor of valuation of the bank as per the questionnaires compared to KCB, thus we see again that branding at KCB has had no influence on the staff attitude.

4.2.4 Factor 4-Bureaucratic

- I learn more about what is happening in the bank from rumours than official communication

Table 13: Rumours than Official communication

	Bank Name			Total (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree			4	1
Agree	20	15	12	16
Neither agree nor disagree	13	4		6
Disagree	60	46	68	58
Strongly disagree	7	35	16	19
Total	100	100	100	100

More staff of KCB learn through official communication compared with Coop bank and NBK. However NBK has more staff that disagrees followed by Coop bank and lastly KCB.

- My job processes are long and inefficient

Table 14: Job processes long and inefficient

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Strongly agree	7	4	4	5
Agree	27	19	36	27
Neither agree nor disagree	23	15	16	19
Disagree	40	50	44	44
Strongly disagree	3	12		5
Total	100	100	100	100

More staff of NBK agrees that their job processes are long and inefficient while more staff of Coop bank disagrees.

Summary

Coop bank staff generally feel their bank is less bureaucratic, compared to KCB and NBK Therefore the branding of KCB does not have an impact on the factor.

4.3 EMPLOYEE RELATIONSHIP WITH CUSTOMER

The employees relationship with the customer was assessed based on the fulfilling factor, the close factor, the outgoing factor and the concerned factor.

4.3.1 Factor 1 Fulfilling relationship

- Customers find us helpful

Table 15: Employees are helpful to customers

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	4	8	6
Small extent	7		4	4
Moderate	20	12	4	12
To a great extent	37	19	36	31
To a very great extent	30	65	48	47
Total	100	100	100	100

More staff of KCB don't feel their customers find them helpful while Coop bank and NBK staff feel their customers find them helpful compared to KCB staff.

- The way I treat customers affect the banks profits.

Table 16:How customers are treated can affect the bank's profits

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	4	4	5
Small extent	3		4	3
Moderate		4		1
To a great extent	27	8	32	22
To a very great extent	63	85	60	69
Total	100	100	100	100

Staff of Coop bank highest percentage at 93% feel that the way they treat their customers can affect their banks profits. NBK did better than KCB while KCB had the highest percentage of staff at 10% who said that the way they treat their customers cannot affect their banks profits.

- I know when my customers are happy.

Table 17: Know when customers are unhappy

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	10	12	4	9
Small extent	7		8	5
Moderate		8	4	4
To a great extent	47	31	48	42
To a very great extent	37	50	36	41
Total	100	100	100	100

Generally a high percentage of the staff feel they know when their customers are unhappy. NBK tops the list followed by KCB. A higher percentage of KCB staff said they did not know when customers are unhappy. Again we see that branding does not appear to have a greater influence.

- I greet my customers

Table 18:Greet customers

	Bank Name			Banks - Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	10	4	4	6
Small extent	3	4	4	4
Moderate		8		3
To a great extent	27	19	36	27
To a very great extent	60	65	56	61
Total	100	100	100	100

More staff of NBK greets their customers followed by KCB staff and lastly Coop bank staff. However, more staff of KCB do not greet their customers at 13% compared to NBK and Coop bank at 8% each.

- I have an impact on the customers perception of the bank.

Table 19: Impact on customer perception

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	67	77	68	70
Small extent	7	4	12	7
Moderate	7	12	8	9
To a great extent	17	4	4	9
To a very great extent	3	4	8	5
Total	100	100	100	100

More staff of KCB feel they have an impact on the customers perception of the bank compared to NBK and Coop bank. On the other hand, more staff of Coop bank feel they have no impact on the customers perception of the bank at 81% followed by NBK at 80% KCB at 74%.

- When my customers are unhappy they complain to me.

Table 20: Customers feel free to complain to the employees

	Bank Name			Total (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	10	4	8	7
Small extent	7	4	4	5
Moderate	7	15	8	10
To a great extent	37	27	60	41
To a very great extent	40	50	20	37
Total	100	100	100	100

More staff of NBK feel that their customers are free to complain to them when they are unhappy. However, more staff of KCB feel that their customers are not free to complain to them when they are unhappy at 17%.

- If am unhappy at work I cannot be happy when I handle my customers.

Table 21: Happy employee, happy customers

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	10	15	40	21
Small extent	17	12%	16	15
Moderate	30	27	8	22
To a great extent	17	15	28	20
To a very great extent	27	31	8	22
Total	100	100	100	100

More NBK staff do not feel that if they are unhappy at work, they can be unhappy when handling their customers. However, more Coop bank staff feel that if they are unhappy at work, they can be unhappy when handling their customers.

- I tell potential customers about my bank.

Table 22: Tell potential customers about the bank

	Bank Name			
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	4	8	6
Small extent	3		4	3
Moderate	7	4	4	5
To a great extent	33	12	36	27
To a very great extent	50	81	48	59
Total	100	100	100	100

More staff of Coop bank tell potential customers about their bank while more staff of NBK do not.

Summary

Based on fulfilling relationship factor of employee relationship with the customer, you find that KCB performs equally well compared to Coop bank and NBK but at the same time KCB has a bigger percentage of staff who do not feel that they have a fulfilling relationship with their customers as per the questionnaires.

4.3.2. Factor 2 Close relationship

- Most customers know my name

Table 23: Customer know employees by name

	Bank Name			Banks' Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	3	8	4	5
Small extent	13	15	8	12
Moderate	27	27	12	22
To a great extent	40	27	68	44
To a very great extent	17	23	8	16
Total	100	100	100	100

More staff of NBK feel that their customers know them by name. Coop bank had the least percentage of staff feeling the same. However Coop bank had more staff at 23% feeling that most of their customers did not know them by name.

- I know most of my customers by name.

Table 24: Know customers by name

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	4		4
Small extent	10	12	8	10
Moderate	17	31	20	22
To a great extent	53	35	56	48
To a very great extent	13	19	16	16
Total	100	100	100	100

NBK had more staff feeling that they knew most of their customers by name. KCB performed better than Coop bank. However, KCB had a bigger percentage of staff at 17% feeling that they did not know most of their customers by name compared to Coop bank at 16% and NBK at 8%.

- Customer can talk to me on a personal level

Table 25: Talk with customers on personal level

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	4	4	5
Small extent	3	8	20	10
Moderate	20	15	24	20
To a great extent	47	35	24	36
To a very great extent	23	39	28	30
Total	100	100	100	100

Coop bank had more staff saying that customers can talk to them on a personal level followed by KCB. NBK on the other hand had more staff at 24% saying that customers can't talk to them on a personal level.

Summary

Staff of Coop bank have a closer relationship with their customers as based on the questionnaires. Hence the branding of KCB does not have an impact on the factor.

4.3.3. Factor 3 Outgoing relationship

- I dislike talking to customers.

Table 26: Dislike talking to customers

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	53	54	52	53
Small extent	7	27	16	16
Moderate	23	4	16	15
To a great extent	17	4	4	9
To a very great extent		12	12	7
Total	100	100	100	100

More staff of Coop bank said they liked talking to customers followed by NBK staff while a bigger percentage of KCB staff at 17% said they disliked talking to customers.

- I'm too busy to talk to customers about the banks products.

Table 27: Too busy to sell banks products

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	47	65	68	59
Small extent	17	19	4	14
Moderate	10	4	12	9
To a great extent	10		4	5
To a very great extent	17	12	12	14
Total	100	100	100	100

KCB had a bigger percentage of staff saying that they were too busy to talk to customers about the bank's products while Coop bank had the biggest percentage of staff saying that they were not busy to talk to customers about the bank's products.

- I love meeting new people.

Table 28: Love meeting new people

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	17	12	8	12
Small extent		4	12	5
Moderate	10	15	4	10
To a great extent	37	19	24	27
To a very great extent	37	50	52	46
Total	100	100	100	100

NBK was leading with members of staff saying they loved meeting new people. However, NBK also had a bigger percentage of staff at 20% saying the opposite.

Summary

Coop bank and NBK has a better outgoing relationship compared to KCB.

4.3.4. Factor 4 concerned relationship

- Every customers complaint concerns me

Table 29: Customers complains concern employee

	Bank Name			
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	37	58	36	43
Small extent	33	12	16	21
Moderate	3	4		3
To a great extent	7	15	16	12
To a very great extent	20	12	32	21
Total	100	100	100	100

A bigger percentage of NBK staff said that customers complaint concerns them while KCB and Coop bank at 70% felt that customers complaints did not concern them.

Summary

Coopbank and KCB perform poorly in this factor.

4.4. PERCEPTION OF THE BANK

The factors under this construct were strong bank, caring bank, flexible bank and modern bank.

4.4.1. Factor 1: Strong bank

- Sound business strategy

Table 30: Sound business strategy

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	3	0	0	1
Small extent	74		4	5
Moderate	30	4	28	21
To a great extent	27	42	32	33
To a very great extent	33	50	36	40
Total	100	100	100	100

Coop bank have a higher percentage of staff at 92% who feel that their bank has a sound business strategy followed by NBK at 68% and KCB at 60%. However, KCB has a higher percentage at 10% who do not feel that their bank has a sound business strategy.

- Clear vision and values

Table 31: Clear vision and values

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	3	0	4	3
Small extent	3	0	0	1
Moderate	27	8	24	20
To a great extent	33	27	36	32
To a very great extent	33	64	36	44
Total	100	100	100	100

A higher percentage of Coop bank staff feel that their bank has effective leadership while a higher percentage of KCB staff at 17% feel that their bank doesn't have effective leadership.

- Effective leadership

Table 32: Effective leadership

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	10	0	4	5
Small extent	74		12	7
Moderate	33	12	20	22
To a great extent	37	54	36	42
To a very great extent	13	31	28	24
Total	100	100	100	100

Coop bank had the highest percentage of staff who felt their bank had clear vision and values while KCB on the other hand had the highest percentage of staff at 6% who felt their bank did not have clear visions and values.

- Positive external corporate image

Table 33: Positive external corporate image

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	3	0	4	3
Small extent	0	4	4	3
Moderate	30	19	24	25
To a great extent	37	46	44	42
To a very great extent	30	31	24	28
Total	100	100	100	100

More Coop bank staff feel that their bank has positive external corporate image compared with KCB and NBK staff. NBK still performed better than KCB. On the other hand, more NBK staff do not feel that their bank has positive external corporate image.

- Being a Company that employees are proud to work for.

Table 34: Being a company employees are proud to work for

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	0	8	5
Small extent	3	0	4	3
Moderate	20	27	24	24
To a great extent	47	23	20	31
To a very great extent	23	50	44	38
Total	100	100	100	100

Coop bank has more staff who feel that Coop bank is a company that they are proud to work for closely followed by KCB, while more staff of NBK at 12% do not feel proud to work for their company.

- Strong well known brand compared with competitors.

Table 35: Strong well known brand compared to competitors

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	0	4	4
Small extent	70		17	8
Moderate	43	31	21	33
To a great extent	30	35	38	34
To a very great extent	13	35	21	23
Total	100	100	100	100

More staff of Coop bank compared to KCB and NBK feel that their bank is a strong well known brand compared with competitors while NBK has a higher percentage of staff at 21% who do not feel that NBK is a strong well known brand compared to competitors.

- Professionalism

Table 36: Professionalism

	Bank Name			Total (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	3	0	0	1
Small extent	13	4	16	11
Moderate	47	23	24	32
To a great extent	23	46	44	37
To a very great extent	13	27	16	19
Total	100	100	100	100

More staff of Coop bank feel that their bank is professional NBK performed better than KCB. Both NBK and KCB had 16% of their staff feeling that their bank was not professional while Coop bank had the least staff at 4% feeling the same.

4.4.2 Factor 2: Caring bank

- Management that meets employees needs

Table 37: Management that meets employee needs

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	23	4	8	12
Small extent	13	12	16	14
Moderate	33	19	20	25
To a great extent	27	42	48	38
To a very great extent	3	23	8	11
Total	100	100	100	100

More Coop bank staff that their bank has management that meets employee needs compared to NBK and Coop bank staff. NBK performed better than KCB. However, KCB had the highest percentage at 36% that felt their bank does not have management that meets employee needs.

- Management that encourages upward communication

Table 38: Management that encourages upward communication

	Bank Name			
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	13	8	4	9
Small extent	7	4	4	5
Moderate	33	23	20	26
To a great extent	40	39	52	43
To a very great extent	7	27	20	17
Total	100	100	100	100

More NBK staff feel that their bank is a management that encourages upward communication with employees.

Coop bank performed better than KCB. However, more staff of KCB at 20% felt that their bank does not encourage upward communication with employees.

- Strong focus on recognition and individual employee achievement

Table 39: Strong focus on recognition and individual employee achievement

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	30	4	12	16
Small extent	13	4	4	7
Moderate	27	27	40	31
To a great extent	27	39	28	31
To a very great extent	3	27	16	15
Total	100	100	100	100

Coop bank has the highest percentage of staff saying that their bank has strongest focus on recognition and individual employee needs while KCB had the highest percentage at 43% of staff saying that their bank did not have a strong focus on recognition and individual employee needs.

- Strong focus on teamwork between different functions and department

Table 40: Strong focus on teamwork between different functions and department

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	0	16	7
Small extent	17	4	12	11
Moderate	40	23	28	31
To a great extent	33	58	24	38
To a very great extent	3	15	20	12
Total	100	100	100	100

More staff of Coop bank felt that their bank had a stronger focus on teamwork between different functions and department compared to NBK and KCB staff. NBK performed better than KCB. However, more staff of NBK at 28% felt that their bank did not have a strong focus as such.

Summary

Coop bank and NBK staff members felt that their bank was a caring bank. These two banks responded more positively compared to KCB, hence the branding of KCB does not reflect as per the factor.

4.4.3 Factor 3: Flexible bank

- Timely adjustment of internal process and procedures to external customer needs.

Table 41: Timely adjustment of internal process and procedures to external customer needs

	Bank Name			
	KCB (%)	CO-OP (%)	NBK (%)	(%)
Not at all	17	0	4	7
Small extent	37	12	24	25
Moderate	27	50	40	38
To a great extent	20	27	12	20
To a very great extent	0	12	20	10
Total	100	100	100	100

A greater percentage of Coop bank staff said that the bank was timely in adjusting internal process and procedures to external customer needs while a greater percentage of KCB staff at 34% said that KCB was not timely in adjusting internal process and procedures to external customer needs.

- Stays ahead of competitors activities

Table 42: Stays ahead of competitors activities

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	20	0	16	12
Small extent	30	19	20	24
Moderate	27	39	40	35
To a great extent	20	31	20	24
To a very great extent	3	12	4	6
Total	100	100	100	100

A greater percentage of Coop bank staff felt that Coop bank stays ahead of competitors activities while the greatest percentage of KCB staff at 50% felt as per the questionnaires that KCB did not stay ahead of competitors activities.

- Strong focus on improvement of process and procedures

Table 43: Strong focus on improvement of processes and procedures

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	0	8	5
Small extent	23	4	16	15
Moderate	23	27	24	25
To a great extent	37	50	44	43
To a very great extent	10	19	8	12
Total	100	100	100	100

Coop bank was leading with members of staff saying that the bank had a strong focus on improvement of processes and procedures while KCB was leading with members of staff saying that the bank did not have a strong focus on improvement of process and procedures.

Summary

Based on questions regarding flexibility of the bank, Coop bank turned out to be the most flexible bank compared to NBK and KCB. KCB performed very poorly hence the branding does not have an impact on the factor.

4.4.4. Factor 4: Modern bank

- Modern management practices

Table 44: Modern management practices

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	0	4	9
Small extent	17	0	16	11
Moderate	40	46	24	37
To a great extent	23	35	36	31
To a very great extent	13	19	20	17
Total	100	100	100	100

Coop bank had the highest percentage of staff saying that the bank had modern management practices while KCB led with 24% of their staff saying that their bank did not have modern management practices.

- Competitive products

Table 45: Competitive products

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	7	0	4	4
Small extent	20	4	8	11
Moderate	33	35	32	33
To a great extent	37	19	28	28
To a very great extent	3	42	28	24
Total	100	100	100	100

Coop bank has a higher percentage of staff who say that Coop bank offers competitive products that meet their customer needs while KCB has the highest percentage at 27% who feel that the bank does not offer competitive products that meet their customer needs.

- Modern physical facilities

Table 46: Modern physical facilities

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	13	0	4	6
Small extent	20	4	8	11
Moderate	33	35	32	33
To a great extent	37	19	28	28
To a very great extent	3	42	28	24
Total	100	100	100	100

NBK has a higher percentage of staff who feel that they have physical facilities that are modern and meet their external customer needs. Coop bank also has a big percentage of staff that feel the same compared to KCB while KCB has the biggest percentage at 33% that does not feel the same.

- Strong external customer focus
- *Table 47: Strong external customer focus*

	Bank Name			Banks Average (%)
	KCB (%)	CO-OP (%)	NBK (%)	
Not at all	17	0	8	9
Small extent	30		4	3
Moderate	33	15	20	24
To a great extent	30	54	44	42
To a very great extent	17	31	24	24
Total	100	100	100	100

Coop bank has a big percentage of staff who feel the bank has a strong external customer focus while KCB on the other hand has big percentage of staff that does not feel the bank has a strong external customer focus.

Summary

More Coop bank staff felt their bank was modern in terms of having competitive products, modern facilities and strong external customer focus compared to NBK and KCB.

4.5 Factor analysis of Employee Attitude to Work

The Eigen values are the initial value loadings of components in a factor. The eigenvalues are used to extract the factors from the components given. All components with eigenvalues greater than 1 are extracted using principal component analysis. That means all the principal components form the factors. A method called rotation of the components is used to maximize on the components suitability to a factor. This is done using Varimax (that is variable maximizing). These then result in components with a percentage of factor loading. All factors will therefore be comprised of a certain number of components, which in the matrix maybe negative or positive. A negative value of a component means that the reading is negated. The extracted factors are then given a name suitable to the characteristics of the components comprising it.

Out of fourteen components measured, four factors were extracted as shown in Table 48 below. Components were standardized using Eigen values. All the components with Eigen values of greater than 1 were extracted.

Table 48: Initial Factor Solution for Employee Attitude to work.

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.87	27.67	27.67	3.87	27.67	27.67	2.77	19.81	19.81
2	1.78	12.68	40.35	1.78	12.68	40.35	2.34	16.70	36.51
3	1.69	12.09	52.44	1.69	12.09	52.44	2.16	15.40	51.91
4	1.07	7.66	60.10	1.07	7.66	60.10	1.15	8.19	60.10
5	0.93	6.65	66.75						
6	0.79	5.61	72.36						
7	0.76	5.43	77.78						
8	0.65	4.63	82.41						
9	0.62	4.41	86.82						
10	0.56	4.01	90.83						
11	0.43	3.10	93.93						
12	0.36	2.55	96.48						
13	0.3	2.14	98.62						
14	0.19	1.38	100.00						

The extraction resulted in the component matrix shown in Table 49. This table shows the raw components extracted.

Table 49: Raw components matrix extracted for employee attitude to work

	Component Matrix			
	1	2	3	4
In the bank I feel that I belong to the team	0.74	0.24	-0.35	0.01
I enjoy my job in the bank	0.73	0.4	-0.2	-0.12
I am empowered to suggest improvement in work processes	0.64	-0.18	0.03	-0.04
I have received adequate training to enable me perform my duties efficiently	0.61	-0.2	-0.13	0.39
I am proud of my bank	0.54	0.3	-0.34	-0.26
My job does not allow me to fully utilize my skills	-0.49	0.45	0.18	0
My salary and benefits fully compensate me for the work I do	0.47	0.12	-0.28	0.39
My role is helping the bank to meet its business objectives is not clear	-0.38	0.62	-0.46	0.18
I am uncomfortable communicating my views openly to my seniors	-0.38	0.59	0.21	-0.19
I am an important person to the bank	0.48	-0.16	0.62	-0.14
I know my banks visions and values	0.53	0.39	0.54	-0.13
I clearly understand my duties and responsibilities	0.47	0.46	0.47	0.15
I learn more about what is happening in the bank from rumours than through official communication	-0.39	0.23	0.25	0.61
My job processes are long and inefficient	-0.28	0.08	-0.25	-0.44

The sums of squared loadings, that is the strengths of the Eigen values were rotated using Varimax (to maximize on variables characteristics). The rotation results in the final factor components. The four factors, each are comprised of components with strengths ranging in percentages or proportions either positive or negative as shown in Table 50.

Table 50: Rotated component matrix for employee attitude to work

	Rotated Component Matrix			
	Component			
	1	2	3	4
I enjoy my job in the bank	0.82	-0.1	0.26	0
In the bank I feel that I belong to the team	0.81	-0.2	0.09	0.1
I am proud of my bank	0.73	-0.1	0.07	-0.2
My salary and benefits fully compensate me for the work I do	0.49	-0.2	-0.1	0.42
I am uncomfortable communicating my views openly to my seniors	-0.1	0.73	0.13	-0.1
My job does not allow me to fully utilize my skills	-0.2	0.65	-0	0.01
My role is helping the bank to meet its business objectives is not clear	0.26	0.65	-0.5	0.14
I have received adequate training to enable me perform my duties efficiently	0.35	-0.5	0.07	0.42
I am empowered to suggest improvement in work processes	0.35	-0.5	0.31	0.03
I know my banks visions and values	0.31	0.13	0.79	0.07
I am an important person to the bank	-0	-0.3	0.75	-0
I clearly understand my duties and responsibilities	0.31	0.19	0.66	0.33
I learn more about what is happening in the bank from rumours than through official communication	-0.4	0.4	-0.1	0.6
My job processes are long and inefficient	0.01	0.2	-0.3	-0.5
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
Rotation converged in 12 iterations.				

From the rotated matrix, the extracted factors indicate that, the four factors share out the components.

Factor 1 is comprised of the following components: -

- I enjoy my job in the bank
- In the bank I feel that I belong to the team
- I am proud of my bank
- My salary and benefits fully compensate me for the work I do

Factor 2 is comprised of the following components with two negated: -

- I am uncomfortable communicating my views openly to my seniors
- My job does not allow me to fully utilize my skills
- My role is helping the bank to meet its business objectives is not clear
- I have not received adequate training to enable me perform my duties efficiently
- I am not empowered to suggest improvement in work processes

Factor 3 is comprised of the following components: -

- I know my banks visions and values
- I am an important person to the bank
- I clearly understand my duties and responsibilities

Factor 4 comprises the following components: -

- I learn more about what is happening in the bank from rumours than through official communication
- My job processes are long and inefficient

The four factors thus shown, comprising of the components indicated form the four factors that characterize the impact of branding on employees attitude to their work. The four factors are therefore named follows. Factor 1 is named as motivating impact, factor 2 is named as dis-empowering impact, factor 3 is named as the rallying impact and factor four is named as bureaucratic impact.

From the four factors extracted from the respondents, the impact of branding on employees attitude to their work is viewed as: -

- Motivating
- Dis-empowering
- Rallying
- Bureaucratic

4.6 Factor Analysis of Employee Relationship with the Customers

To determine the employee relationship with customers from the factors given, factor analysis was done. Out of sixteen components measured, four factors were extracted as shown in Table 51. Components were standardized using Eigen values. All the components with Eigen values of greater than 1 were extracted.

Table 51: Initial Factor Solution for Employee Relationship with Customers.

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.99	43.71	43.71	6.99	43.71	43.71	4.61	28.8	28.8
2	1.33	8.34	52.05	1.33	8.34	52.05	2.51	15.67	44.46
3	1.29	8.03	60.08	1.29	8.03	60.08	2.47	15.45	59.92
4	1.24	7.74	67.83	1.24	7.74	67.83	1.27	7.91	67.83
5	0.9	5.59	73.42						
6	0.69	4.28	77.7						
7	0.59	3.69	81.39						
8	0.51	3.16	84.56						
9	0.47	2.93	87.49						
10	0.44	2.74	90.23						
11	0.39	2.42	92.65						
12	0.34	2.14	94.8						
13	0.27	1.7	96.49						
14	0.24	1.48	97.98						
15	0.19	1.18	99.16						
16	0.14	0.85	100						

Extraction Method: Principal Component Analysis.

The extraction resulted in the component matrix shown in Table 52. This table shows the raw components extracted.

Table 52: Raw Component Matrix for Employee Relationship with Customers

Component Matrix				
	Component			
	1	2	3	4
The way I treat my customer can affect the bank's profits	0.85	0.17	-0.13	-0.05
I greet my customers	0.84	0.04	0.05	0.02
When my customers are unhappy they feel free to complain to me	0.76	0.06	0.02	-0.15
I tell potential customers about my bank	0.75	-0.08	-0.05	-0.10
I know when my customers are happy	0.75	0.18	-0.09	0.19
I deliver the promises my bank makes to the customers	0.74	0.10	-0.17	-0.29
I have no impact on the customers perception of the bank	-0.73	-0.01	0.20	-0.14
Customers find us helpful	0.72	0.30	-0.37	0.12
I love meeting new people	0.71	-0.35	0.09	-0.02
I know most of my customers by name	0.62	0.01	0.50	0.38
I am too busy to talk to customers about the banks products	-0.60	0.41	0.39	0.06
I dislike talking to customers	-0.57	0.51	-0.04	0.25
Customers can talk to me on a personal level	0.54	-0.12	0.35	-0.20
If I am unhappy at work I can not be happy when I handle my customers	0.24	0.76	0.01	-0.31
Most of my customers know me by name	0.55	0.12	0.67	0.17
Every customers complaint concerns me	0.18	-0.01	-0.26	0.82
Extraction Method: Principal Component Analysis.				
4 components extracted.				

The sums of squared loadings, that is the strengths of the Eigen values were rotated using Varimax (to maximize on variables characteristics). The rotation results in the final factor components. The four factors, each are comprised of components with strengths ranging in percentages or proportions either positive or negative as shown in Table 53.

Table 53: Rotated Component Matrix for Employee Relationship with Customers

Rotated Component Matrix				
	Component			
	1	2	3	4
Customers find us helpful	0.83	0.07	0.09	0.22
The way I treat my customer can affect the bank's profits	0.79	0.28	0.26	0.01
I deliver the promises my bank makes to the customers	0.71	0.13	0.33	-0.19
I know when my customers are happy	0.67	0.33	0.16	0.23
I greet my customers	0.64	0.44	0.34	0.05
I have no impact on the customers perception of the bank	-0.63	-0.20	-0.31	-0.24
When my customers are unhappy they feel free to complain to me	0.61	0.34	0.31	-0.11
If I am unhappy at work I can not be happy when I handle my customers	0.59	0.08	-0.49	-0.38
I tell potential customers about my bank	0.57	0.28	0.43	-0.02
Most of my customers know me by name	0.18	0.88	0.02	-0.02
I know most of my customers by name	0.23	0.81	0.13	0.24
Customers can talk to me on a personal level	0.23	0.49	0.34	-0.25
I dislike talking to customers	-0.20	-0.21	-0.74	0.15
I am too busy to talk to customers about the banks products	-0.43	0.09	-0.69	-0.15
I love meeting new people	0.34	0.38	0.61	0.04
Every customers complaint concerns me	0.15	0.07	-0.04	0.86
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
Rotation converged in 8 iterations.				

From the rotated matrix, the extracted factors indicate that, the four factors share out the components.

Factor 1 is comprised of the following components: -

- Customers find us helpful
- The way I treat my customer can affect the bank's profits
- I deliver the promises my bank makes to the customers
- I know when my customers are happy

- I greet my customers
- I have an impact on the customers' perception of the bank
- When my customers are unhappy they feel free to complain to me
- If I am unhappy at work I cannot be happy when I handle my customers
- I tell potential customers about my bank

Factor 2 comprises of the following components: -

- Most of my customers know me by name
- I know most of my customers by name
- Customers can talk to me on a personal level

Factor 3 is comprised of the following components: -

- I like talking to customers
- I am not too busy to talk to customers about the banks products
- I love meeting new people

Factor 4 comprises of the following component: -

- Every customer's complaint concerns me

The four factors thus shown, comprising of the components indicated form the four factors that characterize the employee relationship with the customers. The four factors are therefore named follows. Factor 1 is named as fulfilling relationship, factor 2 is named as close relationship, factor 3 is named as the outgoing relationship and factor four is named as concerned relationship.

From the four factors extracted from the respondents, the employee's relationship with customers is viewed as: -

- Fulfilling
- Close
- Outgoing
- Concerned

4.7 Factor Analysis of Employee Perception of the Bank

To determine the employee perception of the bank from the factors given, factor analysis was done. Out of nineteen components measured, four factors were extracted as shown in Table 54 below. Components were standardized using Eigen values. All the components with Eigen values of greater than 1 were extracted.

Table 54: Initial Factor Solution for Employee Perception of their Bank

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.94	47.04	47.04	8.94	47.04	47.04	4.27	22.49	22.49
2	2.20	11.56	58.60	2.20	11.56	58.60	3.52	18.54	41.02
3	1.51	7.95	66.55	1.51	7.95	66.55	3.18	16.72	57.74
4	1.04	5.45	72.00	1.04	5.45	72.00	2.71	14.26	72.00
5	0.89	4.71	76.71						
6	0.74	3.87	80.58						
7	0.59	3.11	83.69						
8	0.48	2.50	86.19						
9	0.45	2.36	88.55						
10	0.42	2.20	90.74						
11	0.35	1.84	92.58						
12	0.30	1.60	94.17						
13	0.27	1.40	95.57						
14	0.21	1.11	96.68						
15	0.19	0.97	97.65						
16	0.15	0.79	98.44						
17	0.14	0.75	99.18						
18	0.12	0.65	99.83						
19	0.03	0.17	100.00						

Extraction Method: Principal Component Analysis.

The extraction resulted in the component matrix shown in Table 55. This table shows the raw components extracted.

Table 55: Raw Component Matrix for Employee Perception of their Bank

	Component			
	1	2	3	4
Strong focus on teamwork between different functions and department	0.77	0.25	0.11	-0.22
Effective leadership	0.77	-0.18	0.23	0.06
Timely adjustment of internal processes and procedures to external customer needs	0.76	-0.21	-0.36	-0.04
Professionalism	0.76	0.05	0.12	-0.26
Stay ahead of competitors activity	0.73	0.14	-0.41	-0.13
Sound business strategy	0.73	-0.41	0.39	0.04
Strong external customer focus	0.73	-0.23	0.00	0.44
Clear vision and values	0.72	-0.45	0.34	0.01
Modern management practices	0.72	0.13	-0.17	-0.05
Positive external corporate image	0.70	-0.06	0.23	-0.34
Competitive products that meet our customer needs	0.69	-0.36	-0.25	0.40
Strong focus on improvement of process and procedures	0.67	-0.29	-0.12	-0.20
Timely adjustment of internal processes and procedures to external customer needs	0.65	-0.04	-0.39	-0.46
Physical facilities that are modern and meet our external customer needs	0.63	-0.04	-0.51	0.30
A strong well known brand compared to competitors	0.62	-0.15	0.18	0.09
Being a company that employee are proud to work for	0.56	0.21	0.51	0.06
Management that cares about meeting employee needs	0.62	0.67	0.05	0.10
Strong focus on recognition and individual employee achievement	0.58	0.67	0.00	0.08
Management that that encourages upward communication with employees	0.57	0.65	0.10	0.23
Extraction Method: Principal Component Analysis.				
4 components extracted.				

The sums of squared loadings, that is the strengths of the Eigen values were rotated using Varimax (to maximize on variables characteristics). The rotation results in the final factor components. The four factors, each are comprised of components with strengths ranging in percentages or proportions either positive or negative. Table 56 shows the rotated component matrix.

Table 56: Rotated component matrix for Employee Perception of their Bank

Rotated Component Matrix				
	Component			
	1	2	3	4
Sound business strategy	0.87	0.04	0.17	0.25
To what extent do you think your bank is characterized by the following- Clear vision and values	0.85	-0.01	0.21	0.26
Effective leadership	0.69	0.24	0.24	0.30
Positive external corporate image	0.60	0.24	0.48	-0.04
Being a company that employee are proud to work for	0.59	0.52	-0.01	-0.05
A strong well known brand compared to competitors	0.55	0.19	0.17	0.27
Professionalism	0.52	0.36	0.51	0.08
Management that cares about meeting employee needs	0.12	0.88	0.20	0.12
Management that that encourages upward communication with employees	0.13	0.87	0.05	0.17
Strong focus on recognition and individual employee achievement	0.06	0.85	0.21	0.12
Strong focus on teamwork between different functions and department	0.43	0.54	0.48	0.05
Timely adjustment of internal processes and procedures to external customer needs	0.15	0.12	0.85	0.18
Stay ahead of competitors activity	0.10	0.37	0.66	0.40
Timely adjustment of internal processes and procedures to external customer needs	0.30	0.10	0.60	0.55
Strong focus on improvement of process and procedures	0.45	0.00	0.55	0.29
Modern management practices	0.26	0.41	0.48	0.32
Competitive products that meet our customer needs	0.38	0.04	0.20	0.80
Physical facilities that are modern and meet our external customer needs	0.04	0.23	0.36	0.76
Strong external customer focus	0.52	0.22	0.06	0.67
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				

From the rotated matrix, the extracted factors indicate that, the four factors share out the components.

Factor 1 is comprised of the following components: -

- Sound business strategy
- Clear vision and values
- Effective leadership
- Positive external corporate image
- Being a company that employee are proud to work for

- A strong well-known brand compared to competitors
- Professionalism

Factor 2 is comprised of the following components: -

- Management that cares about meeting employee needs
- Management that encourages upward communication with employees
- Strong focus on recognition and individual employee achievement
- Strong focus on teamwork between different functions and department

Factor 3 comprises of the following components: -

- Timely adjustment of internal processes and procedures to external customer needs
- Stay ahead of competitor's activity
- Timely adjustment of internal processes and procedures to external customer needs
- Strong focus on improvement of process and procedures
- Modern management practices

Factor 4 is comprised of the following components: -

- Competitive products that meet our customer needs
- Physical facilities that are modern and meet our external customer needs
- Strong external customer focus

The four factors thus shown, comprising of the components indicated form the four factors that characterize the perception of the employees about their banks. The four factors are therefore named follows.

Factor 1 is named as Strong bank, factor 2 is named as Caring bank, factor 3 is named as flexible bank, and factor four is named as modern bank.

From the four factors extracted from the respondents, the employees perceive their banks as: -

- Strong Bank
- Caring Bank
- Flexible Bank
- Modern Bank.

4.5 Profile of Respondents

The respondents who participated in the survey were diverse. 54% of them were male. Their ages ranged from 18 to over 50 with 96% aged between 30 and 50. They were spread in several levels of employment with 27% being managers, 27.5% supervisors, 22% clerks and other levels were 24%. These respondents have worked for these banks for between 5 and 20 years for which 68% have worked for the banks for between 10 – 20 years.

CHAPTER 5: CONCLUSION

5.1 Summary and Discussion.

The study was a case of four banks. Data was received from three banks and the response rate from these was 90%.

Being a service industry, the banks rely on their staff to deliver the brand promise. The purpose of the study was to find out how branding has influenced the employees as this has implications on the way they deliver the brand promise. The study has shown that the banks had significant factors in their attitude, customer relationship and perception.

In attitude to work, the study generally shows that employees of the banks indicated that there is a Motivating factor affecting their attitude to work as well as a Rallying factor.

However there are also has a Dis-empowering factors in their work as well as Bureaucratic factors.

In employees' relationship with the customers, the factors identified were Fulfilling relationship, Close relationship, Outgoing relationship and Concerned relationship.

In perception, the study found that the employees of the bank perceive their banks as Strong, Caring, Flexible and Modern.

5.2 Conclusion

The objectives of the study were as follows:

- To determine the impact of branding on the employees attitude to their work;
- To establish the impact of branding on the employees relationship with the customer;
- To determine the impact of branding on the employees perception of the bank.

The study concludes that in pursuit of competitive advantage, branding in the banks surveyed, does not appear to influence staff attitude to work, the relationship with their customers and the perception of the employer..

5.3 Limitations of the Study

The study was limited in that we were unable to include the other branded bank in the study. The implication here is that there may be inherent issues at KCB such as corporate culture that negatively impacts on the staff attitudes, and perceptions and their relationship to their customers.

5.4 Recommendations for further study

It is highly recommended that further research be done regarding the issues that affect staff attitude, perception and their relationship to the customer.

This is because as earlier observed it is common for organizations to undertake elaborate measures to create a vision, mission and values, and also to attempt to re-brand, but very often they do not trickle down the organization, thus affecting or killing the brand and ultimately affecting the bottom line.

5.5 Recommendations for Policy and Practice

It is recommended that policies and procedures be put in place that supports the employees in adopting the brand promise and ultimately living the brand.

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1. EMPLOYEE ATTITUDE TOWARDS WORK

To what extent do you agree with each of the following statements?

(Please tick the box with the correct answer)

	<i>Strongly agree</i>	<i>Agree</i>	<i>Neither agree nor disagree</i>	<i>Disagree</i>	<i>Strongly disagree</i>
1. I know my bank's visions and values					
2. I am an important person to the bank					
3. My role in helping the bank meet its business objectives is not clear					
4. I clearly understand my duties and responsibilities					
5. I enjoy my job in the bank					
6. In the bank I feel that I belong to a team					
7. I have received adequate training to enable me perform my duties efficiently					
8. My job does not allow me to fully utilize my skills					
9. My salary and benefits fully compensate me for the work I do					
10. My job processes are long and inefficient					
11. I am empowered to suggest improvement in work processes and procedures					
12. I learn more about what is happening in the bank from rumours than through official communication					
13. I am uncomfortable communicating my views openly to my seniors					
14. I am proud of my bank					

2.EMPLOYEE RELATIONSHIP WITH THE CUSTOMER

To what extent is your relationship with the customer characterised by the following:

(Rate your answer on a scale of 1 – 5, where 1 = not at all, and 5 = to a very great extent. Please tick the box with the correct answer)

	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1. I know most of my customers by name					
2. Most of my customers know me by name					
3. I greet my customers					
4. Customers can talk to me on a personal level					
5.I dislike talking to strangers					
6.I love meeting new people					
7. When my customers are unhappy they feel free to complain to me					
8.I am too busy to talk to customers about the banks products					
9. Every customers complaint concerns me					
10. I know when my customers are happy					
11.I have no impact on the customer perception of the bank					
12. Customers find us helpful					
13.If I am unhappy at work I can not be happy when I handle my customers					
14.I deliver the promises my bank makes to the customers					
15.The way I treat my customer can affect the bank's profits					
16. I tell potential customers about my bank					

3. EMPLOYEE PERCEPTION OF THE BANK

To what extent do you think your bank is characterised by the following?

(Rate your answer on a scale of 1 – 5, where 1 = not at all, and 5 = to a very great extent. Please tick the box with the correct answer)

	1	2	3	4	5
1.Clear vision and values					
2.Sound business strategy					
3.Positive external corporate image					
4.A strong well known brand compared to competitors					
5.Effective leadership					
6.Professionalism					
7.Modern management practices					
8.Strong external customer focus					
9.Physical facilities that are modern and meet our external customer needs					
10.Competitive products that meet our customers needs					
11.Timely response to changes in external customer product needs					
12.Strong focus on improvement of process and procedures					
13.Timely adjustment of internal processes and procedures to external customer needs					
14.Stays ahead of competitors activity					
15.Strong focus on teamwork between different functions and departments					
16.Strong focus on recognition of individual employee achievement					
17.Management that cares about meeting employee needs					
18.Management that encourages open upward communication with employees					
19.Being a company employees are proud to work for					

KENYA BANKERS ASSOCIATION

"Committed to building a strong and respected Banking Industry through dynamic leadership"

(Affiliated to Federation of Kenya Employers)

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Telephones: 221704/217757

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E-mail: kba@kenyaweb.com

17th October 2005

Gloria Nyambok
Kenya Commercial Bank Limited
City Centre
Nairobi

Dear Madam,

RESEARCH ON THE IMPACT ON BRANDING IN BANKS

We acknowledge receipt of your further letter dated 13th October 2005 and wish to confirm that the total number of employees in our membership as at 31st December 2004 was 11,375.

Once again, the information is for your private use and to be held in confidence.

Yours faithfully,



J. K. Wanyela
EXECUTIVE DIRECTOR

NAME	RESIDENCE	COUNTY
[Faint Name]	[Faint Residence]	[Faint County]
[Faint Name]	[Faint Residence]	[Faint County]
[Faint Name]	[Faint Residence]	[Faint County]
[Faint Name]	[Faint Residence]	[Faint County]
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[Faint Name]	[Faint Residence]	[Faint County]
[Faint Name]	[Faint Residence]	[Faint County]

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October 12, 2005

Ms Gloria Nyambok
KCB City Centre
NAIROBI

Dear Madam,

RESEARCH ON THE IMPACT OF BRANDING IN BANKS

We refer to your letter dated 11th October 2005 and advise that the number of employees registered by the respective banks is as follows:

NUMBER EMPLOYED AS AT 31ST DECEMBER 2004		
	Bank	Total
1.	Kenya Commercial Bank	2,694
2.	Standard Chartered Bank	992
3.	Operative Bank of Kenya	1,162
4.	National Bank of Kenya	901
	TOTAL	5,749

This information is given to you in strict confidence as undertaken in your letter under reply.

Yours faithfully,


J.K. WANYELA

EXECUTIVE DIRECTOR