KNOWLEDGE CAPABILITY AND COMPETITIVENESS OF FIRMS IN THE BANKING INDUSTRY IN KENYA

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DECLARATION

This Research Project is my original work and has not been presented in this University or any other institution for academic credit

Signature Date

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This Research Project has been submitted for the purposes of examination with my approval as University supervisor

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DEDICATION

I dedicate this project to my parents for supporting me financially and morally since the beginning of this course.

ACKNOWLEDGEMENT

First and foremost I thank the Almighty God, for granting me the strength, health and courage to complete this study. A special thank you to my supervisor Prof. Martin Ogutu for his guidance, insight and encouragement in the writing and compilation of this research project. Your invaluable support and patience throughout this journey is appreciated.

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LIST OF ABBREVIATIONS AND ACRONYMNS

CBK: Central Bank of Kenya

ICTs: Information and communication technologies

IT: Information Technology

KBA: Kenya Bankers Association

KM: Knowledge Management

SCA: Sustainable Competitive Advantage

SPSS: Statistical Package for Social Sciences

UBA: United Bank of Africa

ABSTRACT

The effectiveness of building knowledge within the firm depends on the firm's ability to monitor and absorb newly acquired knowledge from many sources and then integrate this knowledge into its existing knowledge base. The objective of knowledge capability is to offer a firm sustained competitive advantage. Competitive advantage is possible when a firm delivers some of the benefits that are not possible with the competitors because of their capability. The study sought to determine whether knowledge capability is related to competitiveness of firms in the banking industry in Kenya, and to establish how firms in the Kenyan banking industry create, manage and share knowledge. The study was based on resource-based theory, Knowledge spiral theory and chaos theory. This study used descriptive survey design. Population for this study included all the commercial banks in Kenya. The study made use of primary data which was collected through semi structured questionnaire. Qualitative data was analyzed through content analysis while quantitaive data was analyzed through descriptive statistics including the mean and standard deviation. The study established that the knowledge capability that most of the banks in kenya that are involved in is knowledge and that the technology of the bank enables it to relate better with customers to a great extent. Further, the study established that commercial banks in Kenya uses resources to develop new products to a very great extent It was also established that most of the firms in the banking industry in Kenya manage Knowledge and that firms in the banking industry carry out management and leadership aspects of managing knowledge.

CHAPTER ONE : INTRODUCTION

1.1 Background of the study

According to Yakhlef (2010) firms compete based on their knowledge assets, even for the noncompetitive firms such as the government institutions as well as the non-profit organizations, their success is defined by the ability in which they take advantage of knowledge based assets. This fact is corroborated by Hislop (2013) who argued that knowledge that is integrated in work practices is simultaneously enhanced by the workers mandated to these practices. He continues his sentiments by stating that it is very essential in any running organization to create knowledge which is able to enhance its competitive status remain sustainable within its environment. Dul et al., (2011) views that management of knowledge in an organization is aimed increasing earnings to the firm which is made so through enhancement of firm operating efficiency, improving the quality as well as the quantity of innovations, and creating competitive advantage. Nonethless, to achive this noble benefit of knowledge management, knowledge collected should be effectively installed within the firm. This therefore implies that all the stakeholders as well employees involved in a firm should make a systematic effort to use the knowledge whithin their course duty of operations at all levels. The key interrelations between the goals of a business on knowledge capability and its actual, achieved benefits can be explained by the organisation’s capability of applying its knowledge to critical business activities. Active involvement of knowledge workers is quite required in order to ensure reusing of knowledge in an organisation. Since the financial institutions environment has become very competitive, the managerial competences need to change constantly. With the knowledge capabilities concept, the value financial institutions may hold is the ability to alter its knowledge base. Thus, their competitive advantage can be increased by the creation, integration, recombination and realization of knowledge

The study was based on three theories, that is resource-based theory, Knowledge spiral theory and chaos theory. According to resource-based theory, the competitive advantage of a firm depends majorly in its use of valuable tangible of intangible resources at its disposal (Barney, 2011). Knowledge spiral theory divides knowlege into tacit and explicit knowledge. The theory postulates in future, for an organization to ensure sustainable competitive advantage, the idea of knowledge creation should be the key to be considered since the there is constantly changing competitive environment as well customer preferences and hence knowledge cannot stay for long. Chaos theory argue that firms interact with each other and with other actors in their environment, such as consumers, labor, the government, and financial institutions. These interactions are strategic in the sense that decisions by one actor take into account anticipated reactions by others, and thus reflect a recognition of interdependence (Barney, 2011).

Banking industry in Kenya is quite competitive as a result of different changes that have taken place over the last decade. For example, a number of commercial banks have joined the industry which has created more competition than ever before. Banks such as the United Bank of Africa (UBA) and also EcoBank Kenya Ltd came into the industry in the years 2006 and 2011 (CBK, 2013). With every commercial bank finding it quite challenging to outdo the other in terms of performance and market share, there is increased competition. Several banks are coming up with strategies for competitiveness to try and survive in the industry. Strategies such as retrenchment to cut down costs of operation as well as other “ambidextrous” strategies have found their way into the industry. Use of knowledge capability for competitiveness is limited in this industry. In Kenya Banks have experienced increased growth as well as expansion in East African region for the past five years. Further, banks in Kenya has also enganged themselves in automation, which have made them to shift from traditional banking for them to meet the growing complex needs of their customer as well as globalization issued.

1.1.1 Knowledge capability

Knowledge capability is defined as a capacity to act in an effective manner in order to improve the performance of organizations. Knowledge capability is a major process of increasing firm competitiveness. This is because it is a way in which new knowledge is available to a firm. The new knowledge provides the foundation on future innovation activities and has an effect on the creative capabilities, exploitation of knowledge as well as future competitiveness. Knowledge capability is defined in two different ways (Craig & Douglas, 2010). Based on tacit and explicit knowledge capabilities. Generally, knowledge is categorized as being explicit or tacit. Tacit knowledge is often personal and is context specific on the mind of an individual, behavior or perception. It evolves through interaction of people and needs skills and also practice. It is majorly used by organizations today because it is based on experience, job specific, it is transferable through education and has the capability of becoming explicit knowledge (Collis & Hussey, 2013). On this context, knowledge capability has an influence on the performance of firms that lead to firm competitiveness.

Knowledge capability includes a connection of people, processes and also technology and this in general has an impact on competitiveness. People offer the source of knowledge. Their ability to think in a creative manner and also unique, in addition to experience and talent, makes them to be important source of knowledge. Cavana et al. (2011) state that people create and consume knowledge on daily basis. This is because knowledge capability starts with people who create and consume knowledge, revolve around people, and also ends with people. In addition, processes provide the mechanical and also logical artifacts which offer guidance in the work that is done in organizations. They provide vital functioning for the firms. It is through such processes that human intervention is used in order to meet the needs in an organization with the objective of improving effectiveness and efficiency.

Nevertheless, technology has enabled major advances in information and communication through which knowledge capability is acquired. Information and communication technologies (ICTs) influence level of collaboration of people and teams that are dispersed geographically.

1.1.2 Firm competitiveness

According to Hakkak and Ghodsi, (2015), the competitiveness of a firm is a choice on a number of activities that are required to deliver a differentiated value for a firm. The various activities in a firm define the level of its competitiveness and is often directed to internal or the external clients. Firm competitiveness is related to their efforts in developing and maintining an added advantage over e longer time period. Firm competitiveness is influenced by three factors: size of the target market, increased access to resources and customers and also restrictions on the competitor power (Kaplan, 2010). In most instances, firms can improve their competitiveness when the managers use strategy which is defined by the industry characteristics which is not easy to imitate.

McGuinness, et al., (2010) defines firm level competitiveness as the ability of firm to , produce, market and design products which are superior as compared to those products provided by competitors. Competitiveness procedures are those procedures, which assst in identifying the significance and present performance of a business core processes such as operations management, strategic management, human resources, as well as technology management processes. Further, the competitiveness process can be seen as a strategy that enhances the ability of an organisation to compete more effectively

1.1.3 Knowledge Capability and Firm Competitiveness

Within just the last two decades, there has been an increasing desire for organizational knowledge as the original source of competitive advantage, that can be traced back againto the emergence of the resource-based perspective of the firm (Peteraf, 2013). Strategists describe the introduction of knowledge as an initial asset as the expansion of the resource centered view of the company to the one that is specifically knowledge-based (Grant, 2012). Knowledge is acquired both internally and externally. Hill and Jones (2011) opines that research and development are the major source of internal knowledge in an organization.

Firm's ability of absorption and monitoring of newly acquired knowledge from many sources as well as intergrating it to the system are the core areas that esunre the sustainability of building knowledge within a firm. There is need to carry out a market survey of the research work done previously in order for a firm to acquire external knowledge (Danskin et al., 2015), for instance market survey of previous products in order to gain valuable information with regard to product; undertakin previous research on other market leaders for benchmaking purposes, and investing on strategic alliances (Grant, 2012).

The overall motive of knowledge capability in a firm is to maximize the firm's knowledge related effectiveness as well as returns from its knowledge assets. As argued by Wiig (2007) firm continued creation and delivery of highest quality products and services is highly dependable on enhancing people knowledge which brings innovation. Indeed, as Choo et. al., (2012) suggest that in order for firms to develop products, they need knowledge. For firms to identify niche markets and and ensured sustainable competitive advantage, there is great need for them to gain knowledge about customers as well as competitors. Effective KM in an organization ensures improved productivity, enhances organizational effectiveness, improved decision making, enhances competitiveness position of a firm and improved performance.

1.1.4 Banking industry in Kenya

Banks in Kenya are either owned privately or publicly owned. As per the Companies Act, the industry is regulated by the Central Bank of Kenya (CBK) and the Banking Act. The industry has 43 commercial banks which have been licensed by the Central Bank of Kenya. Camp (2013) states that over the past 10 years, there have been changes in the industry such as new entry of banks as well as increase in market share both locally and globally. The growth has been attributed to the growth of adoption of technology such as information and communication technology (ICTs), availability of resources more so human capital and growth in infrastructure. The effect of new changes has been increased competition which has made commercial banks to seek new ways to compete so as to remain relevant in the market.

The industry offers a number of products and services. They are broadly classified as: retail, trade finance and also treasury operations (CBK, 2013). Retail banking as well as operations on trade and finance are done in the branch level while for the wholesale operations, they are often covered by the treasury operations. Some of the operations in the retail banking include the deposits, loans, cash credit and overdrafts, the advanced and negotiations for the loans and remittances, trade finances include issuance and also confirmation of the letter of credit, drawing, acceptance, discounting and promissory notes while for the treasury operations they include provision of foreign exchange acquiring, holding or under writing and also dealing with shares and buying and selling of bonds or securities. There are mores services that include Internet Banking, demat, echeques or electronic funds transfer.

1.2 Research problem

Firm competitiveness is a major aspect on the survival of a firm in an industry. This s not only likely to intensify in the near future but also considered as a major way to survive. Firms that have necessary resources in terms of knowledge capability, they are considered to have an edge in the market which determines their competitive level. The objective of knowledge capability is to offer a firm sustained competitive advantage. Competitive advantage is possible when a firm delivers some of the benefits that are not possible with the competitors because of their capability. Therefore, knowledge capability enables an organization creates more value for the customers and influence its competitiveness.

The commercial banks in Kenya have adopted the concept on knowledge capability that include process, people, knowledge and technology. These elements create the right incentives to apply and manage knowledge in the industry. Many financial services have been developed and they offer services such as lending and transfer facilities in an effective manner. The objective of this is to offer a product that caters for the customer needs. Knowledge is major component in knowledge capability as the information is embeddded on the theories, processes or systems or could be voiced in the form of opinions, ideas or analysis. People create and consume knowledge, this is because they consume knowledge from a number of sources, in addition to creating them.

Limited studies have been done with regards to knowledge capability and competitiveness of firms. Pearce and Robinson (2007) carried out a study on impolementation and control of competitive strategy among firms across Europe. The findings indicated that firms compete effectively when there is motivation of employees; conclusions showed that employees provide a major resource for a firm along which it can compete well. Banking industry firms have invested heavily in resource acquisition; these has been through training of its employees to equip them with knowledge as a result of technological changes in the market. However, the study did not focus on the role of knowledge capability in the firm competitiveness. Nguyen (2010) did a study on Knowledge management capability and competitive advantage: an empirical study of Vietnamese enterprises. The findings reveals that KM capability of a firm is composed of technical KM infrastructure capability, social KM infrastructure capability, as well as KM process capability. El-Kot and Gamal, (2011) did a study on how does knowledge management drive competitiveness in egyptian software companies?. The study revealed that businesses with more KM showed higher capability in enhancing organizational innovation, businesses with higher innovation capability showed higher capability of producing SCA, and that businesses with more KM orientation possess has higher capability of creating SCA

Locally, Mararo, (2013) did a study on knowledge management practices as a competitive tool in insurance companies in Kenya. The study revealed that Knowledgement practises are being used as tool for gaining competitive advantage in the insurarance industry There is need for the company management in the insuarance industry to embrace knowledge management tools in order for the company to realize the full benefits of knowledgment manageent tools. However the study focused on insurance companies and thus findings could not be generalized into the banking sector.

Mbugua, (2010), carried out a study on knowledge management as a competitive advantage tool in motor vehicle service industry: a case study of Kingsway Tyres Ltd. The study established that study established that organisation objective in introducing KM was to leverage implicit knowledge and at the same time retaining knowledge of employees as they exit the organisation. With the introduction of the knowledge management process, the organizations ability to act has been enhanced due to the increased competency of the employees. However, it is evident that the study failed to focus on the knowledge capability and competitiveness in the banking industry in general.

A study done by Kamanda (2006) on the factors that influence regional growth in Kenya Commercial Bank, showed that resource acquisition is a major way in which firms can offer unique products due to resource advantage. This has an influence on the competitive edge of these firms. However, it is evident that the study failed to focus on the knowledge capability and competitiveness in the banking industry in general. Arising from the findings above, clearly, many of the areas on knowledge capability and competitiveness in the banking industry remain understudied. The studies did not focus on knowledge capability and competitiveness of firms in the banking industry in Kenya. This study sought to address the identified gaps in literature by answering the following research question: how does knowledge capability affect competitiveness of firms in the banking industry?

1.3 Research objectives

These were the objectives of this study:

i. To determine whether knowledge capability is related to competitiveness of firms in the banking industry in Kenya

ii. To establish how firms in the Kenyan banking industry create, manage and share knowledge

1.4 Value of the study

To the academia, the study forms the basis for future studies. There are limited empirical investigations on knowledge capability and competitiveness of firms. This offers a good ground to the academicians to evaluate the research gaps in the area. This is due to the fact that findings of this study will be evaluated in light to its limitations.

To the management of banks, this study will be essential so that they understand how to create and share knowledge capability so that it improves their level of competitiveness in the industry which is characterized by high level of competition.

To the policy makers i.e Central Bank of Kenya (CBK) and the Kenya Bankers Association (KBA), this study equips them with knowledge on the knowledge creation and sharing and firm competitiveness in the industry. This is vital for regulation of competition within the industry.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter provides a review on the literature of the knowledge capability and competitiveness of firms. From the review, broad categories are derived which help on the identification of the major aspects of knowledge capability and firm competitiveness in firms. The chapter also reviews the resource based theory on the competitive strategy as the study is anchored on this theory.

2.2 Theoretical foundation / framework

Three theories have been discussed that were the basis of this study. They include resource based theory, resource based theory and the chaos theory. It is indicated that competition differs much between businesses rather than in the industries. Therefore, understanding these theories provided a good ground to discuss knowledge capability and the competitiveness of firms in an industry.

2.2.1 Resource based theory

This theory is based on gaining of competitive advantage. The theory helps in evaluation of the amount of assets by an organization. It was founded by Barney and was developed by Porter (1979; 1980; 1985) and Bain (1968) as complements. They formed the major proponents to this theory. The author placed more focus on the resources of a firm which influence competitiveness of a firm depending on the way in which they are exploited.

The theory has changed over the last decade with a number of names such as resources, capabilities, assets or firm competencies in describing factors that affect firm competitiveness.

This theory is considered as effective to explaining the competitive advantage of firms as a result of its strengths on valuableness, rare, inimitable and the fit of the framework in an organization that which offers the competitive advantage to firms. Fitness of the resources for a firm makes it possible for the firm to exploit its resources and gain sustained competitive advantage. Valuableness concept for the resources helps in measuring the level of profitability as a result of its economic asset form on tangibility and intangibility. Therefore, this theory has the capability of providing a measure for discounted value for the expected future income stream which it is attributed to. This makes it relevant in terms of building knowledge capability and competitiveness of firms in an industry since such resources are valuable, rare and inimitable to be used by the competitors.

Other theories such as Porter's (1985) on the five forces analysis indicated the way in which the behaviour of firms as well as the actions of the competitors and that in case of uncertainty in the environment, resources of firm are essential to providing an edge in the competitiveness of firms. Therefore, it offers an indication in the way in which firms operate under different circumstances in the market. The ability of a firm to constantly build their relevant resources is a way in which they respond to dynamic nature in the market and this is an advantage to these firms. Porter (2008) asserted that the capabilities in a firm undergo different stages in their life cycle makes them to anticipate, hence can respond to the competition in the market.

2.2.2 Knowledge Spiral Theory

The second theory examined is the Nonaka and Takeuchi (1995) knowledge spiral theory. This theory lays emphaises on knowledge spirals that explain the change of tacit knowledge into explicit knowledge as a unit for individual, group, as well as organizational innovation (Dalkir, 2011). Nonaka and Takeuchi explain four methods of this knowledge conversion which include first from tacit knowledge to tacit knowledge process of socialization. From tacit knowledge to explicit knowledge process of externalization. From explicit knowledge to explicit knowledge process of combination and from explicit knowledge to tacit knowledge: process of internalization (Dalkir, 2011). Understanding the different forms of conversion provides a critical understanding of how both tacit and explicit knowledge interact within an organization and allows knowledge managers to reflect on their practices to ensure all forms of conversion are being adequately supported and developed.

From all of these theoretical explorations, the growing understanding of how knowledge management can be an important component in the success of an organization can be 16 observed. Discoveries of the different forms of knowledge, the different relationships between knowledge types and objects, the processes of knowledge transformation and integration, and the importance of sense-making, all lead to a greater understanding of organizational knowledge and knowledge management. Without this evolving theoretical lens, significant mistakes can be made that will impede the goals of the organization and the advancement of knowledge management as a critical factor in innovation and success

2.2.3 Chaos theory

This theory is “complex” observation that was founded by Edward Lorentz in 1960. The theory offers a good theoretical framework in order to understand the dynamic changes in the industries as well as the complex interactions on the actors in the industry. It can be noted that industries are able to be conceptualized and also modelled as “complex and dynamic” systems that show uncertainty and an underlying order (McBride, 2005). When evaluating the reasons why marketing is becoming quite an increased “complex discipline”, chaos theory is important (McBride, 2005). One looks at the distortion on the results seen on the initial conditions in a product as well as actual results in the sales when there has been effective launch in the product and marketing. This is due to the fact that change in the initial states results to an opposite reaction and serious impacts on the subsequent events which are often predictable but which cannot be achieved within meaning on probability.

Despite that, the complexity in the systems can get quite chaotic, erratic as well as generate deterministic noise. Based on this, firms get in trouble in case there is extremely senstive reliance on the initial conditions, little changes can have higher effect in vital and unexpected ways. This is what is termed as being “chatic behavior”. Such change from the stable to the chatoc dynamic relies on combination as well as relative strength for various elements (McBride, 2005).

2.3 Knowledge capability

Knowledge capability is the explicit and systematic management of vital knowledge and its associated processes of creating, gathering, organizing, diffusion, use and exploitation. It requires turning personal knowledge into corporate knowledge that can be widely shared throughout an organisation and appropriately applied. It caters to the critical issues of organizational adaption, survival and competence in the face of increasingly discontinuous environmental change. Essentially; it embodies organizational processes that seek synergistic combination of data and information processing capacity of information technologies, and the creative and innovative capacity of human beings (Masaki, 2012).

Knowledge capability is a key aspect in gaining a sustained competitive advantage. Extending on the notion of organizational resource based capability, knowledge capability is defined as the ability of a firm to mobilise and also deploy the knowledge resources in combination to the other resources and also capabilities. Majority of firms have come to realize that advantages based on technology are quite “transient” and that the only sustained competitive advantage that they have are on the employees and hence remain forefront and maintain a competitive advantage through having a good capacity in retaining, developing, organising or utilization of the competencies of the employees

(Bahra, 2011). Only processes and technology alone are not able to drive the growth in organizations but the human force.

2.4 Firm competitiveness

Accoridng to Hakkak and Ghodsi (2015), firm competitiveness is a choice on a number of activities required in order to deliver value in the firm. Different activities in a firm define the competitive advantage and are often directed to the internal or external clients. Firm competitiveness is related to its efforts in developing and maintaining an advantage over a long period of time. The competitiveness in firms is influenced by three factors that include size in the target market, increased access on the resources and customers and also restriction on the competitor power. In most of the cases, firms are able to improve on their competitiveness when the managers make use of the strategy defined by the industry characteristics that are not easy to copy. In order for a firm to be competitive, it is vital for the customers to differentiate the firm products and services from the competitors.

A number of studies have been done on firm competitiveness but they are yet to make a real impact on the knowledge capability in influencing firm competitiveness. In a study done in Europe by Byrd and Turner (2014) on long term relationship between IT structure and firm competitieveness, the findings indicated that IT assets are essential in creating sustained competitive advantage. What this study failed to bring into perspective is whether, firms are able to maintain their competitive advantage through IT assets which is mainly through mergers and acquisitions.

2.5 Knowledge capability and firm competitiveness

Knowledge capability is essential in influencing the competitivenss of firms. Knowledge capability is a competence in a firm that needed managing of collective information expertise for the employees. This has an influence on maintaining a competitive edge over the competitors since the competitors cannot imitate their source of competitiveness (April, 2012). Nguyen (2010) did a study on Knowledge management capability and competitive advantage: an empirical study of Vietnamese enterprises. The findings confirm that the KM capability of a firm is a multi-dimensional construct composed of social KM infrastructure capability, technical KM infrastructure capability, and KM process capability. Social KM capability is identified by three dimensions: organisational culture, organisational structure and people (or T-shaped skills). KM process capability is identified by four dimensions, namely knowledge acquisition, conversion, application and protection processes. While social and technical KM infrastructure capabilities are strongly correlated, they are both enablers for KM process capability with social elements having a dominant influence. KM processes as dynamic capabilities, in turn, take the central role with application process as the most important contributor to firm competitiveness. As a result, the indirect effects of social and technical infrastructure capabilities on organisational CA are fully mediated through KM process capability.

In another study by Maseki (2012) on the knowledge management and performance of commercial banks in Kenya; the study found that knowledge management greatly affected performance of the commercial banks. Knowledge management enhanced product and service quality; increased productivity and innovative ability. Knowledge management improved performance of employees on their duties in the bank and enhanced employee competence. Knowledge management enhanced the ability of the bank to develop new innovative financial products for its customers, turnaround time of employees, communication process in the bank and profitability of the bank.

2.6 Summary of knowledge gaps

It is clear that the role of knowledge capability in creating sustained competitive advantage has been greatly talked about in literature. However,there are limited empirical and theoretical investigations in this area. There are no studies that have examined knowledge capability and firm competitiveness simultaneously. In addition, much of the studies in this topic are directed towards and empirically tested within the context of the developed markets. The need to evaluate knowledge capability in order to fit to the specialties in the emerging markets such as Kenya has received less attention to date. The present study tries to fill these gaps by use of resource based theory, chaos theory and competence based theories with knowledge capability in order to determine its influence on competitiveness of firms.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research design

This study used descriptive survey design. According to Collis and Husey (2013), descriptive research design is a "systematic" and empirical inquiry by a researcher which does not have control of the independent variable as the manifestation has already taken place. This design was chosen due to its ability to develop a profile for a given issue. Craig and Douglas (2010) state that descriptive study is concerned with determination of the frequency in which something takes place or relationship between the variables. The study sought to find out the relationship of knowledge capability and competitiveness of firms in the banking industry in Kenya.

3.2 Population

Population is a representation of a whole. Population for this study included all the commercial banks in Kenya. As at 1st of December 2015, there were forty three financial institutions in the banking industry in Kenya. The study included all the commercial banks in the country which made the study a census. Census study includes every unit in a population that is included in a study. The list for the commercial banks was attached in the appendix (II).

3.3 Data collection

The study made use of primary data which was collected through semi structured questionnaire. According to Biener & Lyberg, (2003), primary data is the data that is collected by a researcher while for the secondary data is the already existing data. Primary data is viewed as being more reliable and up to date. The major instrument for the data collection was semi structured that allowed for uniformity in the response questions. Questionnaires are faster methods to obtain data in comparison to other methods.

The questions were constructed in order to address particular objectives and offer a variety of possible responses. Unstructured questions offer the respondents freedom of response that helps the researcher to gauge the feelings of the respondent. The questionnaires were directed to the marketing managers and public relations manager in the equivalent banks that were sampled in the study. The marketing managers and public relations manager had been chosen as a result of their major role in connecting to the banks with the customers as well as clear understanding of the knowledge capability of the banks. The questionnaires were administered through a pick and drop later method.

3.4 Data analysis

Collected data was edited, coded and then entered to the statistical package for social sciences (SPSS) program for analysis. Qualitative data was analyzed through content analysis while quantitaive data was analyzed through descriptive statistics including the mean and standard deviation with the help of the Statitical Package for Social Sciences (SPSS) version 21. This is the major computer program for analysis. Descriptive statistic was used to describe the characteristics of data in the study.

CHAPTER FOUR: DATA ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter presents data analysis and discussions. The study had two objectives namely; to determine whether knowledge capability is related to competitiveness of firms in the banking industry in Kenya and to establish how firms in the Kenyan banking industry create, manage and share knowledge

4.2 Response Rate

The research was conducted on a sample of 86 respondents. The statistics analysis was used to show the relationships between variables. Out of the 86 questionnaires, 69 questionnaires were duly filled and this represents a response rate of 80%. This response rate is considered satisfactory to make conclusions for the study. According to Mugenda & Mugenda (2003), a 50% response rate is adequate, 60% good and above 70% rated very good. This also collaborates Bailey (2000) assertion that a response rate of 50% is adequate, while a response rate greater than 70% is very good. Based on this assertion, the response rate of 80% is very good. The results are shown in Table 4.1.

Table 4.1: Response Rate

	Frequency	Percent
Questionnaires filled and returned	69	80%
Questionnaires unreturned	17	20%
Questionnaires administered	**86**	**100%**

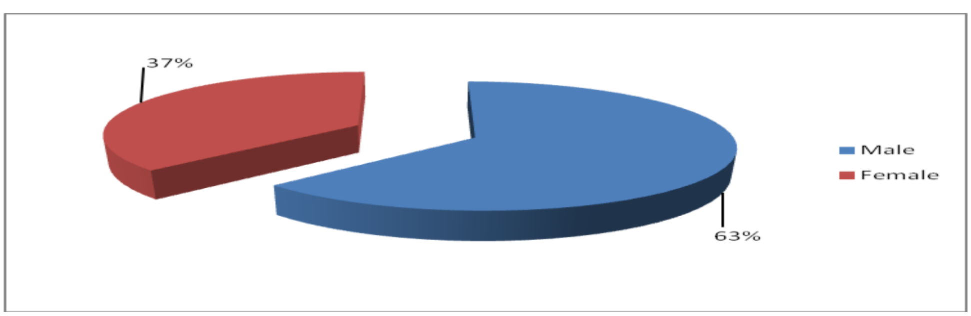
4.3 Demographic information

The study sought to ascertain the background information of the respondents involved in the study. The background information points at the respondents' suitability in answering the questions.

4.3.1 Gender of the respondents

The respondents were requested to indicate their gender. The findings were as shown in the figure 4.1 below.

Figure 4.1: Gender of the respondents

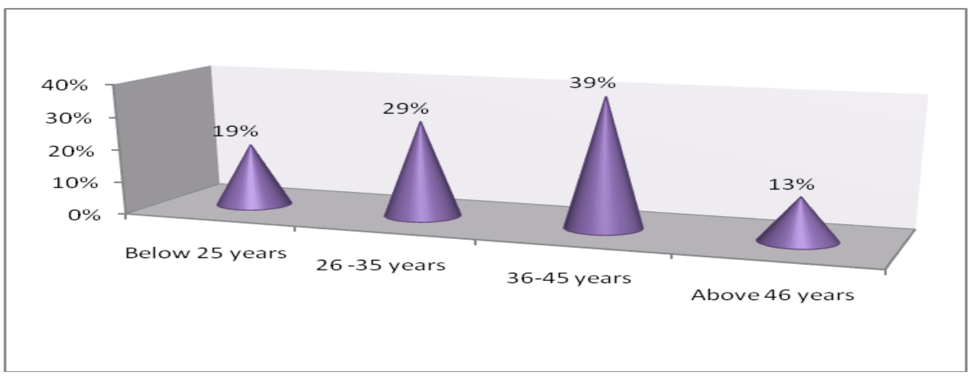


From the findings above 63% of the respondents were male while 37% were females. This depicts that majority of the respondents were males. This is expected in banks in most countries, women are less likely than men to participate in the labor market, that is, less likely to be employed or looking actively for a job.

4.3.2 Age of the respondents

The respondents were requested to indicate their age. The findings were as shown in the figure 4.2 below.

Figure 4.2: Age of the respondents

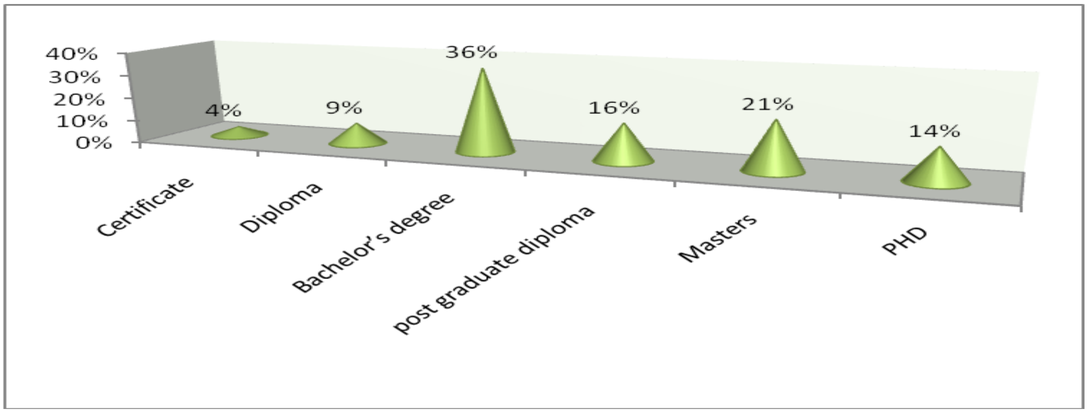


The study established that majority of the respondents (39%) were between the age of age of 36-45 years, 29% were aged between 26-35 years, 19% were aged between 20-28 years, while 13% were aged above 46 years. This implies that most of the employees in the bank are aged between 36-45 years. With this age we expect that respondents are young and energetic and thus there is a higher chance of cooperation with the researcher

4.3.3 Level of education

The respondents were requested to indicate their level of education. The findings were as shown in the figure 4.3 below.

Figure 4.3: Level of Education

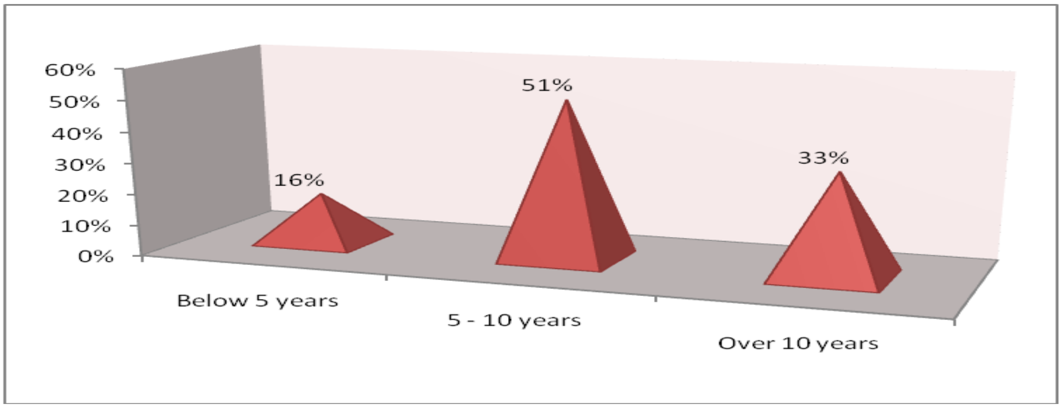


According to the findings in figure 4.4 above, majority of the respondents (36%) were bachelor's degree, 21% were master's holders, 16% were postgraduate diploma holders, 14% were PHD holders, 9% were diploma holders while the remaining 4% were certificate holders. This infers that majority of the respondents in the banks are well trained thus had rich information and knowledge on nexus between knowledge capability and competitiveness of firms in the banking industry in Kenya and therefore there was higher chances that they would offer reliable information

4.3.4 Working duration in the bank

The study requested to indicate the period of time they had worked with the bank (in years). The findings are illustrated in the figure 4.4 below.

Figure 4.4: Working duration in bank



From the findings, it can be established that most of the respondents (51%) have worked with the bank for a period of 5-10 years, 33% have worked for over 10 years, while 16% were aged below 5 years. This implies that most of the employees in the banks have worked with the bank for a period of 5-10 years and thus could be familiar with the dynamics in their area.

4.4 Knowledge Capability and Firm Competitiveness

The study sought to establish whether knowledge capability is related to competitiveness of firms in the banking industry in Kenya. The study findings are as presented in subsequent headings

4.4.1 Knowledge Capability Engaged In

Respondents were kindly requested to indicate the knowledge capability that their bank have engaged in. The study findings are as shown in table 4.2 below

Table 4.2: Knowledge Capability Engaged In

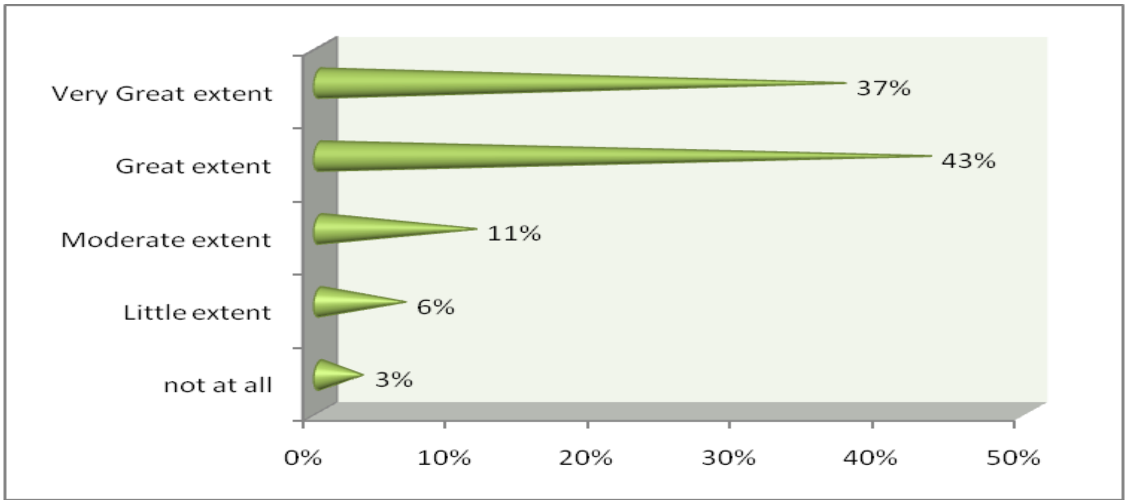
	Frequency	**Percent**
Knowledge	26	37%
People	19	27%
Process	9	13%
Technology	16	23%
Total	**69**	**100%**

According to the findings, majority of the respondents (37%) indicated that the knowledge capability that their bank have engaged in was knowledge, 27% indicated people, 23% indicated technology , while the remaining 13% felt that the knowledge capability that their bank have engaged in was process. This implies that the knowledge capability that most of the banks in kenya that are involved in is knowledge.

4.4.2 Technology of the Bank Relationship with Customers

The study sought to establish the extent to which the technology of the bank enables it to relate better with customers. The study findings are as shown in Figure 4.5 below

Figure 4.5: Technology of the Bank Relationship with Customers



From the study findings, majority of the respondents (43%) were on the opinion that the technology of their bank enables it to relate better with customers to a great extent, 37% indicated to a very Great extent, 11% indicated to a moderate extent, 6% indicated to a little extent, while only 3% of the respondents were on the view that the technology of their bank does not enables it to relate better with customers. This implies that the technology of thebank enables it to relate better with customers to a great extent

4.4.3 Extent to Which Technology of the Bank Enables the Bank to Share Ideas

Respondents were kindly requested to indicated the extent to which the technology of their bank enables their bank to share ideas. Study findings are as presented in Table 4.3 below

Table 4.3: Extent to Which Technology of the Bank Enables the Bank to Share Ideas

	Frequency	Percent
Very Great extent	14	21%
Great extent	35	51%
To moderate extent	7	10%
Little extent	8	12%
Not at all	4	6%
Total	**69**	**100%**

According to the findings, majority of the respondents (51%) indicated that the technology of their bank enables their bank to share ideas to a great extent, 21% indicated to a very Great extent, 12% to a little extent, 10% indicated to a to moderate extent, while only 6% indicated that the technology of their bank does not enable their bank to share ideas. This implies that technology of most of commercial banks in Kenya, enables them to share ideas to a great extent

4.4.4 Bank Processes and Customers Data

The study sought to establish from the respondents the the extent to which the processes in place in their bank help in getting customers data. Study findings are as presented in Table 4.4 below

Table 4.4: Bank Processes and Customers Data

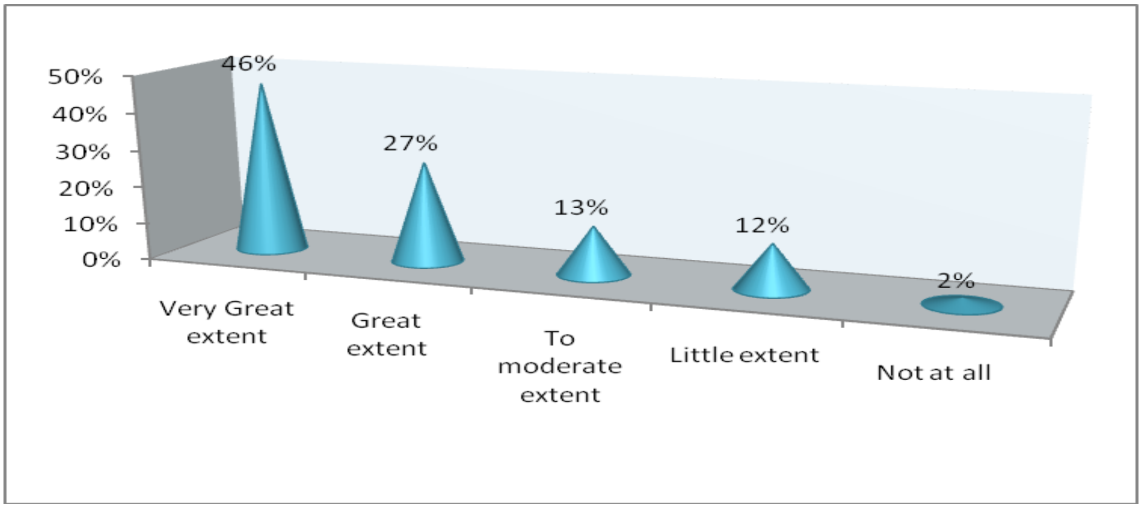
	Frequency	Percent
Very Great extent	27	28%
Great extent	42	44%
To moderate extent	12	13%
Little extent	9	9%
Not at all	6	6%
Total	**96**	**100%**

Based on the findings, majority of the respondents (44%) indicated that the processes in place in their bank help in getting customers data to a great extent, 28% indicated to a very Great extent, 13% indicated to a to moderate extent, 9% to a little extent, while only 6% indicated that the processes in place in their bank do not help in getting customers data. This implies that the processes in place in most of the commercial banks in Kenya helps employees in getting customers data and this shows that there is efficient usage of the technology in the banks.

4.4.5 Use of innovation based knowledge

The study also was interested in establishing the extent to which there extent to which there is use of innovation based knowledge in commercial banks in Kenya. Study findings are as presented in Figure 4.6

Figure 4.6: Extent of influence of interest rate policy on performance of business

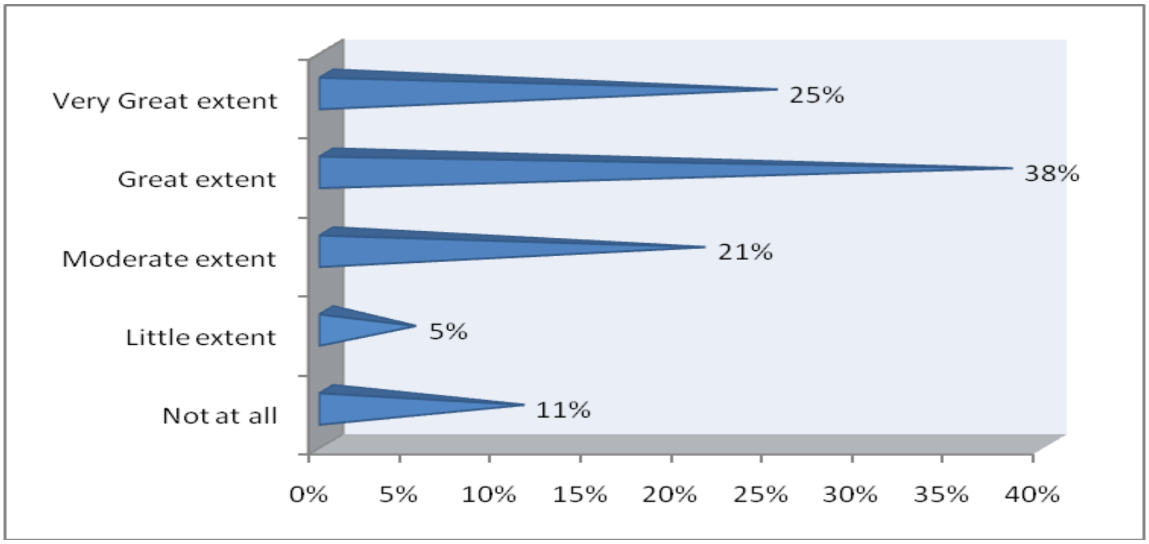


According to the findings, majority of the respondents (46%) indicated that their bank uses innovation based knowledge to a very great extent, 27 % indicated to a great extent, 13% indicated to a to moderate extent, 12% to a little extent, while only 2% indicated that their bank do not use innovation based knowledge. This implies that most of the commercial banks in Kenya uses innovation based knowledge to a very great extent

4.4.6 Use of Information to Create Value for Clients

The study sought to establish from the respondents, the extent to which their respective bank uses information to create value for clients. The findings of the study are as shown in Figure 4.7

Figure 4.7: Use of Information to Create Value for Clients

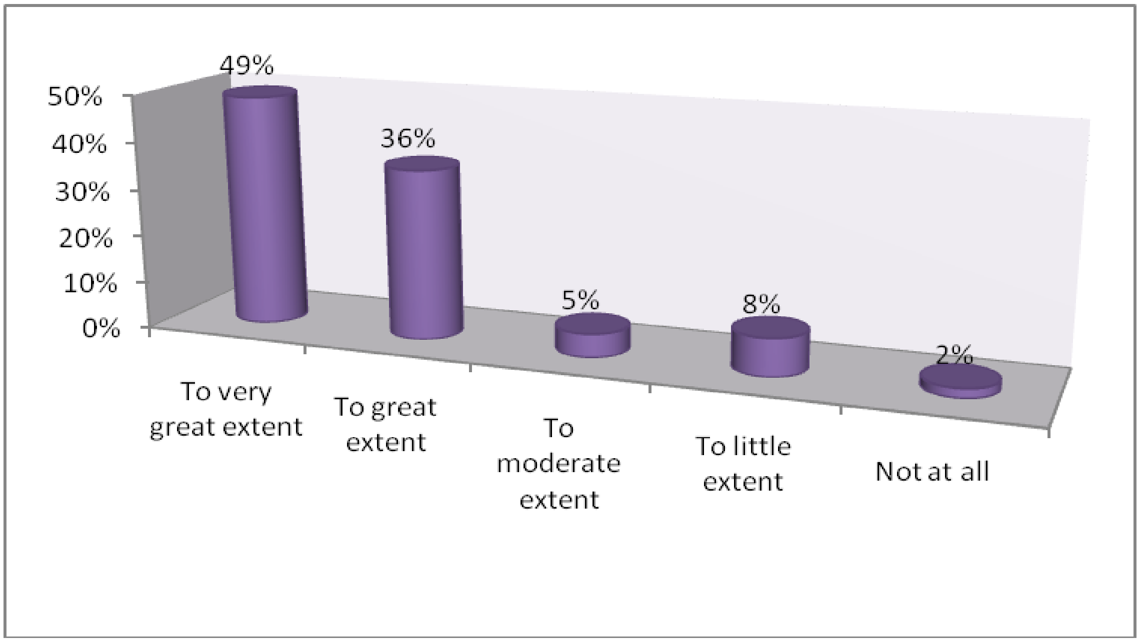


The study findings depicits that, majority of the respondents (38%) indicated that their respective bank uses information to create value for clients to a great extent, 25% indicated to a very great extent, 21% indicated to a moderate extent, 5% indicated to a little extent, while 11% opined that their respective bank do not use information to create value for clients. This shows that most of the commercial banks in Kenya uses information to create value for clients

4.4.7 Extent to which Bank uses Resources to Develop New Products

The study also was interested in establishing the extent to which respondents bank uses resources to develop new. Study findings are as presented in figure 4.8

Figure 4.8: Extent to which Bank uses Resources to Develop New Products



Based on the study findings, majority of the respondents (49%) indicated that their bank uses resources to develop new products to a very great extent, 36 % indicated to a great extent, 8% to a little extent, 5% indicated to a to moderate extent, while only 2% indicated that their bank do not use resources to develop new products. This implies that commercial banks in Kenya uses resources to develop new products to a very great extent

4.4.8 Prevention of duplicate or redundant operations through knowledge management practices

Respondents were kindly asked to indicate whether through the use of knowledge management practices, their banks has prevented duplicate or redundant operations. Study findings are as presented in Table 4.5

Table 4.5: Prevention of duplicate or redundant operations through knowledge management practices

	Frequency	Percent
Very Great extent	25	36%
Great extent	19	28%
To moderate extent	8	12%
Little extent	10	15%
Not at all	6	9%
Total	**69**	**100%**

The study findings reveals that, majority of the respondents (36%) indicated that through the use of knowledge management practices, their banks has prevented duplicate or redundant operations to a very great extent, 28% indicated to a great extent, 15% indicated to a little extent, 12% indicated to a to moderate extent, while 9% opined that through the use of knowledge management practices, their banks has not prevented duplicate or redundant operations. This shows that through the use of knowledge management practices, most of the commercial banks in Kenya has prevented duplicate or redundant operations to a very great extent

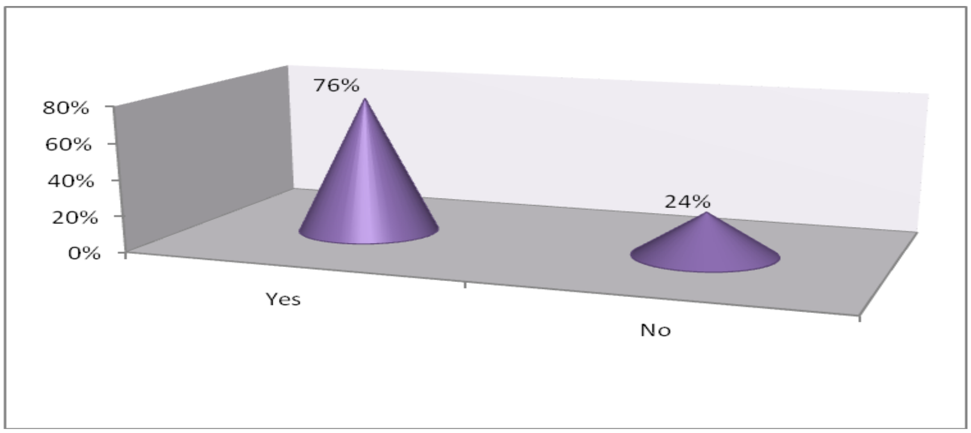
4.5 Creating, Managing And Sharing Knowledge By Firms

The study sought to establish whether commercial banks in Kenya create, manage and share knowledge. The findings of the study are as shown below

4.5.1 Knowledge Creating an Integral Part of Research

Respondents were kindly requested to indicate whether knowledge creating is an integral part of research at their bank. Findings of the study is as shown in Figure 4.9 below

Figure 4.9: Knowledge Creating an Integral Part of Research



Majority of the respondents (76%) indicated that knowledge creating is an integral part of research at firms in the banking industry in Kenya while 24% were on the contrary contrary opinion. This implies that knowledge creating is an integral part of research at firms in the banking industry in Kenya

4.5.2 Aspects of Creating Knowledge

The study sought to establish the extent to which respondents bank carry out each of the following aspects of creating knowledge. Table 4.6 summarizes the findings of the study

Table 4.6: Aspects of Creating Knowledge

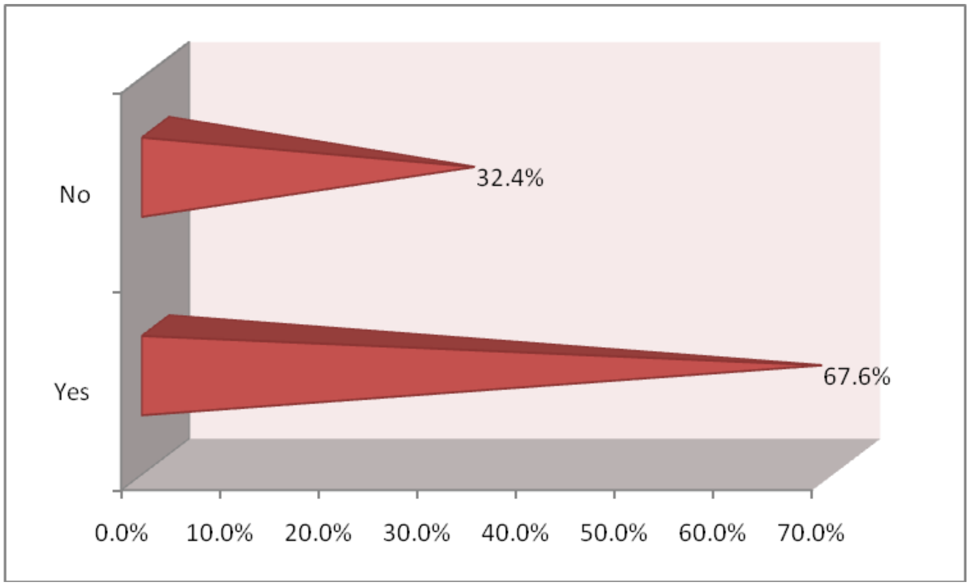
	Frequency	**Percent**
Continous improvement	12	18%
Innovation	11	16%
IT	28	41%
Business strategy	10	14%
Knowledge conversion	8	11%
Total	**69**	**100%**

Majority of the respondents (41%) indicated that their bank carry out IT as an aspect of creating knowledge, 18% indicated that their bank carry out continous improvement, 16% indicated that their bank carry out innovation, 14% indicated that their bank carry out business strategy, while 11% indicated that their bank carry out knowledge conversion as an aspect of creating knowledge. This portrays that most of the firms in the banking industry in Kenya carry out IT as an aspect of creating knowledge.

4.5.3 Management of Knowledge by Banks

Respondents were kindly requested to indicate whether their bank manage Knowledge. The analysis of the study findings are as presented in Figure 4.10 below.

Figure 4.10: Management of Knowledge by Banks

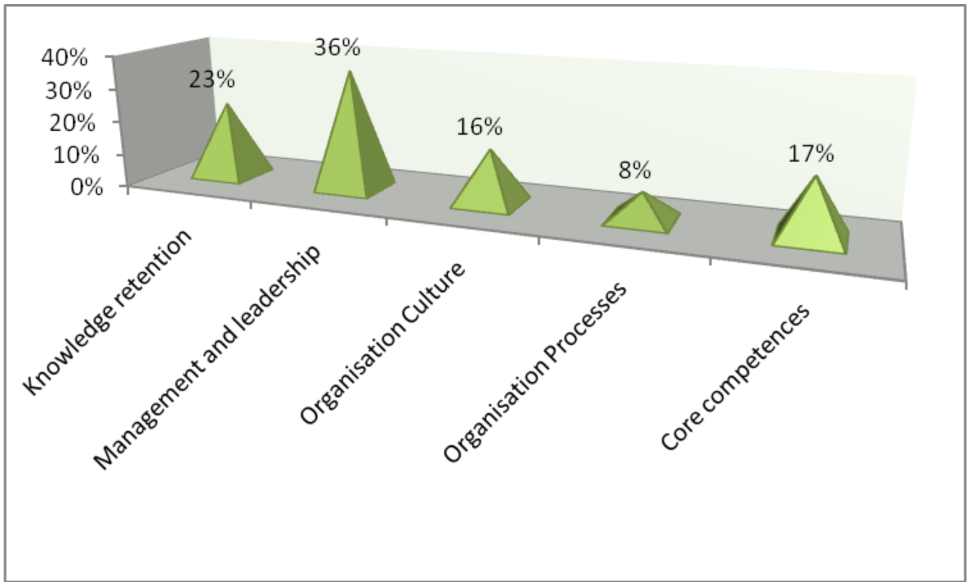


As indicated in Figure 4.10 above, majority of the respondents (67.6%) indicated that their bank manage Knowledge, while the rest 32.4% indicated that their bank does not manage Knowledge. This implies that most of the firms in the banking industry in Kenya manage Knowledge

4.5.4 Aspects of Managing Knowledge

The study was aimed to establish from the respondents the extent to which their respective banks carry out each of the following aspects of managing knowledge. Figure 4.11 shows the study findings

Figure 4.11: Aspects of Managing Knowledge

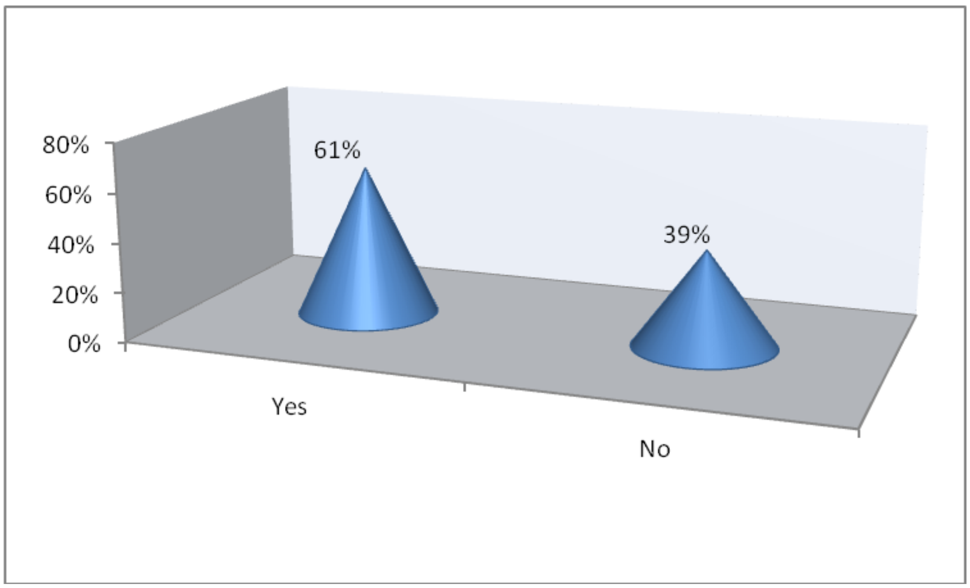


According to the findings, majority of the respondents (36%) indicated that their firms carry out management and leadership aspects of managing knowledge, 23% indicated Knowledge retention, 17% indicated Core competences, 16% indicated organisation Culture, while 8% indicated that their firms carry out organisation Processes aspects of managing knowledge. This implies that most of firms in the banking industry carry out management and leadership aspects of managing knowledge

4.5.5 Knowledge Sharing an Integral Part of Research

The study further sought to establish from the respondent's whether knowledge sharing is an integral part of research at your bank Study findings are as shown in Figure 4.12 below

Figure 4.12: Knowledge Sharing an Integral Part of Research

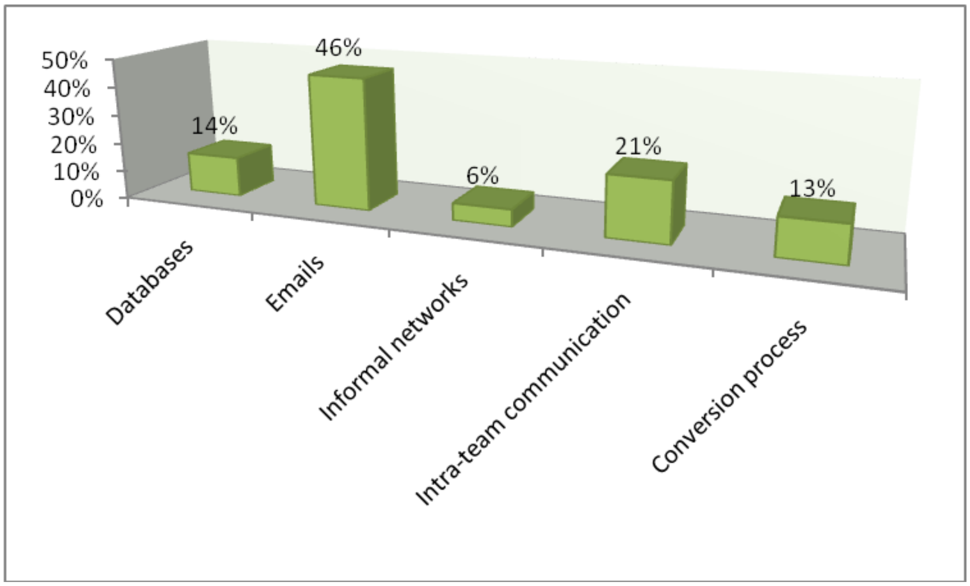


From the responses, 61% of the respondents indicated that knowledge sharing is an integral part of research at their bank, while 39% were on contrary opinion. This implies that that knowledge sharing is an integral part of research at the firms in the banking industry in Kenya

4.5.6 Aspects of Sharing Knowledge

The researcher sought to investigate the extent to which the respondents bank carry out each of the following aspects of sharing knowledge. Study findings are as shown in Figure 4.13 below

Figure 4.13: Aspects of Sharing Knowledge



From the responses, most of the respondents (46%) indicated that their bank use emails as an aspect of sharing knowledge, 21% indicated Intra-team communication, 14% indicated Databases, 13% indicated Conversion process, while the renmaining 6% indicated that they use Informal networks aspect of sharing knowledge. This infers that most of the firms in the banking industry in Kenya uses emails as form of sharing knowledge among the employees

4.6 Correlation Analysis

To measure the strength of the association between the variables, the study put to use the Karl Pearson's coefficient of correlation. The Pearson product-moment correlation coefficient determines the strength of a linear association between two variables and is denoted by *r* which can take a range of values from +1 to -1. A value of 0 designates that there is no association between the two variables. A value greater than 0 designates a positive association while a value less than 0 designates a negative association. The Pearson's coefficient was employed to ascertain the presence or absence of linear correlation between the variables of knowledge capability and firm competitiveness. The outcomes are as follows;

Table 4.7: Correlation Analysis

	firm competitiveness	Knowledge capability	knowledge creating	**Internet Banking**
firm competitiveness (r)	1.000			
(p) Sig. (2 tailed)				
Knowledge capability (r)	0.679	1.000		
(p) (2 tailed)	0.009			

knowledge creating (r)	0.612	0.326	1.000	
(p) Sig. (2 tailed)	0.013	0.021		
knowledge sharing (r)	0.574	0.254	0.076	1.000
(p) Sig. (2 tailed)	0.026	0.123	0.046	

Results from table 4.7 above reveal that there is a significant positive association between use of Knowledge capability and firm competitiveness in the banking industry in Kenya ($r = .679$, P-value < 0.009). This implies that knowledge capability influences firm competitiveness in the banking industry in Kenya. The findings also disclosed a substantial positive association between knowledge creating and firm competitiveness ($r = .612$, P-value < 0.013). Thus, implying that knowledge creating influences firm competitiveness in the banking industry in Kenya

The findings indicated a noteworthy positive association between knowledge sharing and firm competitiveness ($r = .574$, P-value < 0.026) thus, depicting that knowledge sharing influences firm competitiveness in the banking industry in Kenya

4.7 Discusion of Findings

The study established that most banks in Kenya use knowledge capability and that the technology of the bank enables it to relate better with customers to a great extent. In addition, the study revealed that technology of most of commercial banks in Kenya, enables them to share ideas to a great extent and that the processes in place in most of the commercial banks in Kenya helps employees in getting customers data and this shows that there is efficient usage of the technology in the banks. The study established that most of the commercial banks in Kenya uses innovation based knowledge to a very great extent and that most of the commercial banks in Kenya uses information to create value for clients. In line with the study findings the study by Alavi and Leidner (2001) observed that communication technologies are critical for all the key processes in knowledge management. This is critical as it provides capabilities in information sharing, collaboration and the use of electronic repositories to store information and knowledge. While information technologies may be seen to objectify knowledge and turn it to inert information, emerging technologies are quickly adapting to allow organizational workers to create, adapt and modify their own technological tools.

It was also established that most of the firms in the banking industry in Kenya manage Knowledge and that firms in the banking industry carry out management and leadership aspects of managing knowledge. Furthermore, the study revealed that knowledge sharing is an integral part of research at the firms in the banking industry in Kenya and that most of the firms in the banking industry in Kenya uses emails as form of sharing knowledge among the employees. In line with the study findings, Barrett, Cappleman, Shoib &Walsham (2004) investigation on the perceived value of knowledge management confirms that the importance of organizations is placed in the process of knowledge sharing which is essential to the success in organizations. A large proportion of the respondents of this study are aware of the importance of knowledge management in streamlining operations so that there are no duplicate or redundant operations. The confirmation that organizations are seen to be transformational when they utilize knowledge indicates that the respondents are aware of the benefits of knowledge management in their organizations. Most importantly, it was found that knowledge management has improved workforce efficiencies and productivity through the use of knowledge management practices and through improved operational performances through use of communities of practice.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of research findings, conclusions described in detail in the previous chapter. It further describes the limitations of the study, recommendations for policy and practice, and also makes suggestions for further research.

5.2 Summary

The study established that most of the banks in Kenya create,manage and share knowledge and that the technology enables the bank to relate better with customers to a great extent. In addition, the study revealed that technology of most of commercial banks in Kenya, enables them to share ideas to a great extent and that the processes in place in most of the commercial banks in Kenya helps employees in getting customers data and this shows that there is efficient usage of the technology in the banks. The study established that most of the commercial banks in Kenya uses innovation based knowledge to a very great extent and that most of the commercial banks in Kenya uses information to create value for clients

Further, the study established that commercial banks in Kenya use resources to develop new products to a very great extent and that through the use of knowledge management practices, most of the commercial banks in Kenya has prevented duplicate or redundant operations to a very great extent. Moreover, the study revealed that knowledge creating is an integral part of research at firms in the banking industry in Kenya and that most of the firms in the banking industry in Kenya carry out IT as an aspect of creating knowledge.

It was also established that most of the firms in the banking industry in Kenya manage Knowledge and that firms in the banking industry carry out management and leadership aspects of managing knowledge. Furthermore, the study revealed that knowledge sharing is an integral part of research at the firms in the banking industry in Kenya and that most of the firms in the banking industry in Kenya uses emails as form of sharing knowledge among the employees

5.3 Conclusion

Knowledge is a fluid mix of framed experience, values, contextual information, and expert insight that is created by social interactions among individuals and organizations depending on a particular time and location. It is further accepted that knowledge comes from the meaningfully organized accumulation of information through experience, communication, or inference. This means therefore that in order to facilitate the accumulation process, enterprises should reform their culture and reward systems so that employees are encouraged and willing to share their experience and knowledge with others as they meanwhile accumulate their knowledge as an organizational asset.

The study concludes that knowledge capability is important to the commercial banks in Kenya because it enables them to remain competitive in the dynamic business environment. The study concludes that most of the commercial banks in Kenya use innovation based knowledge to a very great extent and that most of the commercial banks in Kenya uses information to create value for clients

Knowledge assets of the bank form an important strategic role to create value and improve business performance. The competitive advantage of banks in today's economy stems not from market position, but from the difficulty to replicate knowledge assets and the manner in which they are deployed. It is argued that business performance equates to value generated for the key stakeholders of an organization. The generated value is the result of a banks’ ability to manage its business processes and, on the other hand, the effectiveness and efficiency of performing organizational processes based on organizational competencies. Management of knowledge assets enables an organization to grow and develop the appropriate organizational competencies. Therefore, the fact that organizational competencies are based on the effective and efficient management of knowledge assets puts it at the heart of business performance and value creation

Further, the study concludes that commercial banks in Kenya uses resources to develop new products to a very great extent and that through the use of knowledge management practices, most of the commercial banks in Kenya has prevented duplicate or redundant operations to a very great extent. Moreover, the study concludes that knowledge creating is an integral part of research at firms in the banking industry in Kenya and that most of the firms in the banking industry in Kenya carry out IT as an aspect of creating knowledge.

5.4 Recommendations for policy and practice

The study was able to clearly demonstrate the need to have organizations understand the concept of knowledge management to appropriately harness and leverage on knowledge assets to attain competitive advantage. There is a great deal of competitive advantage that can be harnessed from knowledge management. In so doing, organizations' have to implement appropriate process of implementing knowledge management strategies in order to minimize the challenges which they will face from the uncertain business environment.

The study recommends that implementation of knowledge management in the bank should be backed by the support of the banks top management, staff level of awareness of knowledge should be enhanced and existence of comprehensive plan to define the steps needed to implement the KM system.

The study recommends that organizations should adopt more ways of sharing knowledge/information among employees in order to improve their knowledge management capacities. The alignment of knowledge management policy to the organizational strategy will act as a guideline on how knowledge should be disseminated within the organizations.

5.5 Limitations of the Study

The study used the survey questionnaire as the data collection instrument. This was the only survey approach and no attempt has been made to triangulate the data collected for example by use of other collection approaches like observation data. Unfortunately, this was found to be beyond the scope of this particular study as it possessed neither the time nor resources to conduct multiple data collection approaches. Future studies with additional resources could attempt the cross- verification by use of multiple sources and further extend the study.

The survey limits the respondents to those in a management capacity both those in senior management position and in middle management. No attempt has been made to include different levels of personnel as this study focused on the knowledge management decision-makers identified as those in management positions. The limitation to this is that senior management, as the decision-makers in how their organizations implement knowledge management, may be tempted to portray only positive views on knowledge management in their organizations.

5.6 Area for Further Research

The study confined itself to firms in banking industry in Kenya and therefore this research should be replicated in other financial as well as non-financial instutions operating in the country and the results be compared so as to establish whether there is consistency on whether knowledge capability as a strategic resource enhances firm competitiveness.

Similarly further research should to be done to establish the challenges which affect banks in using and management of knowledge.

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APPENDIX I : QUESTIONNAIRE

SECTION A: GENERAL INFORMATION

1. Indicate your gender

   [ ] Male

   [ ] Female

2. Indicate your age

   [ ] Below 25 years

   [ ] 26 -35 years

   [ ] 36-45 years

   [ ] Above 46 years

3. What is your highest level of education

   [ ] Certificate

   [ ] Diploma

   [ ] Bachelor’s degree

   [ ] post graduate diploma

[ ] Masters

[ ] PHD

Others specify

……………………………………………………………………………………….

4. How long have you worked at the bank?

[ ] Below 5 years

[ ] 5 - 10 years

[ ] Over 10 years

SECTION B: KNOWLEDGE CAPABILITY AND FIRM COMPETITIVENESS

5. Which of the knowledge capability do you engage in

[ ] Knowledge

[ ] People

[ ] Process

[ ] Technology

6. indicate the extent to which the technology of your bank enables it to relate better with customers; use a five point scale where

   1= not at all

   2= Little extent

   3=Moderate extent

   4=Great extent

   5=Very Great extent

7. indicate the extent to which the technology of your bank enables your bank to share ideas; use a five point scale where

   1= not at all

   2= Little extent

   3=Moderate extent

   4=Great extent

   5=Very Great extent

8. indicate the extent to which the processes in place in your help in getting customers data; use a five point scale where

1= not at all

2= Little extent

3=Moderate extent

4=Great extent

5=Very Great extent

9. indicate the extent to which there is use of innovation based knowledge, use a five point scale where

   1= not at all

   2= Little extent

   3=Moderate extent

   4=Great extent

   5=Very Great extent

10. indicate the extent to which your bank uses information to create value for clients; use a five point scale where

    1= not at all

2= Little extent

3=Moderate extent

4=Great extent

5=Very Great extent

11. indicate the extent to which your bank uses resources to develop new products; use a five point scale where

    1= not at all

    2= Little extent

    3=Moderate extent

    4=Great extent

    5=Very Great extent

12. Through the use of knowledge management practices, my organization has prevented duplicate or redundant operations

    1= not at all

    2= Little extent

3=Moderate extent

4=Great extent

5=Very Great extent

SECTION C : CREATING, MANAGING AND SHARING KNOWLEDGE BY FIRMS

13. Is knowledge creating an integral part of research at your bank?

    Yes ( )

    No ( )

14. To what extent does your bank carry out each of the following aspects of creating knowledge

    Continous improvement ( )

    Innovation ( )

    IT ( )

    Business strategy ( )

15. Does your bank manage Knowledge

Yes ( )

No ( )

16. To what extent does your bank carry out each of the following aspects of managing knowledge

Knowledge retention ( )

Management and leadership ( )

Organisation Culture ( )

Organisation Processes ( )

Core competences ( )

17. Is knowledge sharing an integral part of research at your bank?

Yes ( )

No ( )

18. To what extent does your bank carry out each of the following aspects of sharing knowledge

Databases ( )

Emails	( )
Informal networks	( )
Intra-team communication	( )
Conversion process	( )

APPENDIX II: COMMERCIAL BANKS IN KENYA

1. Africa Banking Corporation Bank Ltd (Kenya)
2. Bank of Africa Ltd
3. Baroda Bank Ltd
4. Bank of India Ltd
5. Barclays Bank of Kenya Ltd
6. CFC Stanbic Bank Ltd
7. Charterhouse bank Ltd
8. Chase Bank Ltd (Kenya)
9. Citibank N.A Ltd
10. Commercial Bank of Africa Ltd
11. Consolidated Bank of Kenya Ltd
12. Cooperative Bank of Kenya Ltd
13. Credit Bank Ltd
14. Development Bank of Kenya Ltd
15. Diamond Trust Bank Ltd
16. Dubai Bank Kenya Ltd
17. Ecobank Ltd
18. Equatorial Commercial Bank Ltd
19. Equity Bank Ltd
20. Family Bank Ltd
21. Fidelity Bank Limited Ltd

22. Fina Bank Ltd

23. First Community Bank Ltd

24. Giro Commercial Bank Ltd

25. Guardian Bank Ltd

26. Gulf African Bank Ltd

27. Housing Fin. Co. of Kenya Ltd

28. Habib Bank Ltd

29. Habib Bank A.G Zurich Ltd

30. I&M Bank Ltd

31. Imperial Bank Kenya Ltd

32. Jamii Bora Bank Ltd

33. Kenya Commercial Bank Ltd

34. K-Rep Bank Ltd

35. Middle East Bank Kenya Ltd

36. National Bank of Kenya Ltd

37. NIC Bank Ltd

38. Oriental Commercial Bank Ltd

39. Paramount Universal Bank Ltd

40. Prime Bank Ltd (Kenya)

41. Standard Chartered Kenya (K) Ltd

42. Trans National Bank Kenya Ltd

43. United Bank for Africa Ltd