

## Influence of Technostructural Interventions on Performance Of Commercial Banks In Kenya

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### Abstract

Technostructural interventions are an expensive typology of organization development interventions. The literature, however, indicates that empirical studies have across different sectors and settings established varied results on the effect of these interventions on organizational outcomes. This study consequently sought to establish the effect of technostructural interventions on the performance of commercial banks in Kenya. The typologies of technostructural interventions considered were job enrichment, employee involvement and physical layout. The study adopted a cross sectional research design. Multivariate data analysis indicated that job enrichment and physical layout do not have an effect on performance of commercial banks in Kenya. Employee involvement was however found to have a positive and significant effect on the performance of commercial banks in Kenya.

*Key Words: Job Enrichment, Employee Involvement, Physical Layout, Performance of Banks.*

### 1.1 Introduction

Commercial banks are critical in driving economic development, as they play a role in financial intermediation, facilitating growth of other key economic sectors (Saini & Sindhu, 2014; Ongore & Kusa, 2013; Ikhide, 2009). Non-performance of a country's banking sector can therefore lead to undesirable economic effects such as declined economic output, lowered investments and reduced employment levels (Dell'Ariccia, Enrica, & Raghuram, 2008; Demirgüç-Kunt, Enrica & Poonam, 2006).

A flip through history, however, indicates that Kenya has experienced serious banking industry challenges that have many times led to dwindled industry performance, and in some extreme cases, led to collapse of domestic banks (Kamau & Were, 2013; Kithinji & Waweru, 2007). In the year two thousand and fifteen alone, the Central Bank of Kenya, the regulator of the banking industry in Kenya, in the space of two months, placed two commercial banks under receivership (CBK, 2015) with the regulator indicating the need to continue to closely monitor the banking industry in Kenya to ensure that commercial banks continue to function and perform as envisaged.

Commercial banks in Kenya have, for that reason, among other measures, proactively undertaken organization development interventions over the years in a bid to drive up their performance levels (KCB, 2012; BBK, 2013; NBK, 2013). Kenya Commercial Bank Ltd, for instance, undertook organization development interventions between the years two thousand and eleven through two thousand and thirteen, with the overriding objective being among other things, to enhance its performance (KCB, 2011; 2012; 2013). Barclays Bank of Kenya Ltd, another major bank in the Kenyan market, also undertook organization development interventions in the year two thousand and twelve in key areas, with a view of improving its organizational performance (BBK, 2013). The same was the case with the National Bank of Kenya Ltd which also undertook organization development interventions in the year

two thousand and thirteen, with the chief intention of the interventions being improvement of its performance (NBK, 2013).

The increasing reliance on organization development interventions as a strategy of enhancing performance of commercial banks in Kenya is fundamentally in sync with general scholarly posits on the influences of organization development interventions on organization performance, as it has been argued that organization development constitutes important features that can enable an organization attain its strategic goals (Khattak, Sumaira & Chaudhry, 2015; Agarwal & Helfat, 2009; Bae & Lawler, 2000). Even from its conceptual abstraction, organization development is supposed to embody practices undertaken by practioners to help organizations improve performance and effectiveness (Cummings & Worley, 2009). Competence in executing any organization development interventions, tandem with the overall organizational strategy, is, however, a key distinguishing characteristic of successfully run organizations (Lawler & Worley, 2006).

Essentially, there are four typologies of organizational development interventions that have been discussed in the literature. These are Human Process Interventions, Technostructural Interventions, Strategic Interventions and Human Resource Management Interventions (Idris, Adekalu & Kabiru, 2014; Cummings & Worley, 2009). Human Process Interventions are those targeted on social processes in the organization such as communication in the organization, leadership in the organization and group dynamics (Cummings & Worley, 2009). Technostructural Interventions, on the other hand, are organization development interventions targeted towards structural and technological issues in the organization and comprise of interventions in organization designs, work redesigns and employee involvement (Cummings & Worley, 2009). Human Management Interventions on the other hand are involved with attraction of competent talent to the organization and using this talent to drive organizational objectives. Finally, Strategic Interventions seek to help organizations transform and keep pace with changing conditions in operating environments and are exemplified by interventions such acquisitions, mergers and organization learning (Cummings & Worley, 2009).

Of the different typologies of organization development interventions, commercial banks in Kenya have been seen to more and more embrace technostructural interventions (KCB, 2012; BBK, 2013; NBK, 2013; Munjuri, 2011). These interventions, as typologies of organization development interventions, entail the design and re-design of organization models, and are usually executed through application of interventions such as technology changes, employee involvement, work redesign, parallel structures and changes in workplace physical arrangement and settings (Sandhu, Mannu & Virk, 2012; Cummings & Worley, 2009). Technostructural interventions, therefore, are argued by scholars to be deliberate organization development interventions undertaken by organization development experts to institute enhanced organizational performance in dynamic environments (Sandhu, Mannu & Virk, 2012; Cummings & Worley, 2009; Cummins & Worley, 2001; Pettigrew, Woodman & Cameron, 2001).

A cursory view of the global landscape indicates that technostructural interventions are indeed popular forms of organization development interventions. For example, in the United States of America, technostructural interventions have been cited by scholars to be one of the most common types of organization development interventions (Fagenson-Eland, Ensher & Burke, 2004; Burke, 2002; Beer & Walton, 1990). Besides the United States of America, technostructural interventions have also been seen to be embraced in some Asian tigers such as Hong Kong (Lau, McMahan, & Woodman, 1996). Other countries that have been seen to implement technostructural interventions include Germany, France, Ireland, Sweden, Mexico, India and Australia (Cummings & Worley, 2009). In Kenya, technostructural interventions have also been witnessed across many corporate organizations (Munjuri, 2011).

The foregoing notwithstanding, there have been muted criticisms emanating from scholarly circles regarding the use of technostructural interventions in organizations. For example, it has been argued that employee involvement may lead to organization malfunctioning resultant from poor decisions being made by employees (Amir & Amen, 2014). Job enrichment, on the other hand, has also been criticized as to lead to

work intensification thereby leading to lowered productivity amongst employees, hence being a detriment to organization performance (Onimole, 2015).

## **1.2 Statement of the Problem**

Sustained performance of commercial banks in Kenya has been an issue of concern, especially in view of the fact that confidence in Kenya's banking industry has in the past been eroded, resultant from collapse of multiple local commercial banks (Kithinji & Waweru, 2007). The Central Bank of Kenya, as the regulator of the banking industry in Kenya, has also in the recent past indicated the need to closely monitor commercial banks in Kenya to ensure continued performance, especially after the placing of two commercial banks under receivership, in a space of two months in the year two thousand and fifteen (CBK, 2015).

Commercial banks in Kenya, however, have in their own right initiated measures to ensure that they continue performing as expected. Such measures have included among others, embracing organization development interventions, especially technostructural interventions (KCB, 2012; BBK, 2013; NBK, 2013). Increasingly adopting technostructural interventions among these commercial banks, nonetheless, presents a theoretical quandary in view of the fact that there is yet to be general scholarly consensus on the subject of the efficacy of technostructural interventions as means of attaining organization development and organization performance objectives.

For example, while organization development scholars such as Werner and De Simone (2012) hold that technostructural interventions are not an excellent choice of organization development interventions, Aninkan (2014) and Khattak, Iqbal and Khattak (2013) establish from empirical studies that technostructural interventions such as job enrichment and employee involvement have positive influences on organizational performances. The differences on scholarly opinion on the efficacy of technostructural interventions in effect indicates a knowledge gap that can principally be filled by undertaking a study to shed light on the efficacy of technostructural interventions in driving organization performance, and in the context of this study, the efficacy of technostructural interventions in driving performance of commercial banks in Kenya.

As important, Kaplan and Norton (1996) argue of the need to differentiate between two constructs in discussions on organization performance: outcomes and drivers. Whereas Kaplan and Norton (1996) do not give a concise definition of these two, Swanson and Holton (2001) illuminate on the subject and indicate that performance outcomes mainly relate to financial and productivity measures such as profitability and returns on investments, while performance drivers, on the other hand, are prime indicators of future organization outcomes. Drawing from the works of organization development scholars such as Cummings and Worley (2009; 2006; 2001) and Swanson (1994) performance indicators are construed to encompass aspects such as an organizations' flexibility and an organizations' responsiveness to changes in the operating environment.

Organization flexibility and organization responsiveness as key indicators of organization performance have, however, been regarded differently by scholars. The literature, nevertheless, indicates that flexible and responsive organizations do respond fast to changes in their operating environment hence enabling their continued success (Thongsodsang & Ussahawanitchakit, 2011; Passmore, 1994). Organizations need to therefore continuously endeavor to re-organize processes, individual behavior and structures (D'Aveni, 1994) if they are to attain these two critical indicators of organization performance.

Kaplan and Norton (1996) and Swanson and Holton (2001) are seen to argue that only when organization performance outcomes and organization performance drivers are conjointly considered will long-term, sustained organizational performance be guaranteed. This line of argument is bolstered by the opinions of Bol and Smith (2009) who argue that solely relying on objective measures of performance in gauging performance is flawed, given that subjective measurements of performance usually incorporate a wider range of factors, thereby making them a central aspect of analysis of organization performance.

The general stream of research on performance of commercial banks in Kenya, has, however, been a growing focus on objective measures of performance only. For instance, Onjala (2012) in a longitudinal study of performance of commercial banks in Kenya used Returns on Equity as a measure of commercial banks performance. Ongore (2013) in an investigation of the determinants of performance of commercial banks in Kenya modelled bank performance on Return on Assets, Return on Equity and Net Interest Margin. Onuonga (2014), on the other hand, in a study on top six banks in Kenya, modelled the performance of the top banks in Kenya using bank profitability only as a measure.

A comprehensive appraisal of the effect of organisation development interventions, such a technostructural interventions, on performance of the commercial banks in Kenya using both performance outcomes and performance drivers is thus vital, given that the Central Bank of Kenya has over the years depicted vacillating positions of the performance of commercial banks in Kenya (CBK 2012, 2013, 2014, 2015). The need is more apparent after commercial banks in Kenya exposed their incapacity to fast respond to changes in operating environments, after the introduction of the interest rates capping on bank facilities instigated by the Banking (Amendment) Act of 2016 that disrupted the banking environment in Kenya and led to reduction in key performance metrics of the commercial banks (CBK, 2017).

### **1.3 Research Objective**

The objective of this study was to establish the effect of technostructural interventions on performance of commercial banks in Kenya. The specific objectives of the study were to determine the effect of job enrichment on the performance of commercial banks in Kenya, to determine the effect of employee involvement on the performance of commercial banks in Kenya and to determine the effect of physical layout on the performance of commercial banks in Kenya.

### **1.4 Significance of the Study.**

The study was important as technostructural interventions are expensive typologies of organization development interventions. As such, shedding light on how to improve their efficacy is quite important. This is more so important for commercial banks in Kenya which have been seen to increasingly adopt technostructural interventions as a means of attaining organization development and organization performance objectives. As important therefore, the study will inform decision makers in these banks, through the research findings, of the efficacy of these technostructural interventions in driving the performance of commercial banks in Kenya.

## **2. 0 Literature Review**

### **2.1 Theoretical Review**

In this study, The Sociotechnical Systems Theory, The Herzberg Two Factor Theory and The Job Characteristics Model were theories considered illuminating the objectives and variables of this study and have been discussed in detail here-below.

#### **2.1.1 The Sociotechnical Systems Theory**

The Sociotechnical Systems Theory, as fronted by Trist and Bamforth (1951) advocates for work to be structured in a way that focuses on both the social and technical systems of an organization and holds that work designs based purely on technological systems, with no regard to social aspects, are largely sub-optimal (Trist & Bamforth, 1951). Based on the propositions of this theory, there must be a fit between the social and technological design features of organizations and departments, if at all any intended performance is to be attained (Lawler, 1996).

As a primary theory in organization development, the socio-technical systems theory had vast relevance in this study. This is because the study sought to investigate how aspects of technostructural interventions such as employee involvement and physical layout blend with other job redesigns such as job enrichment, to define overall commercial banks performance. The theory thus anchored the hypotheses relating job enrichment, employee involvement and physical layout to organization performance, as these variables are largely subjects in socio-technical systems.

### **2.1.2 Herzberg's Two Factor Theory**

Herzberg's Two Factor Theory posits that employee work motivation, as abstracted by job satisfaction and job dissatisfaction, is a function of two sets of factors; motivation factors and hygiene factors (Herzberg, 1968). The motivation factors, which essentially relate to job content include work itself, responsibility, advancement, achievement, recognition, and possibility of growth. The hygiene factors on the other hand relate to factors characteristic of the job context and include company policy, supervision, relationship with supervisors, work conditions, relationship with peers, salary, personal life, relationship with subordinates, status, and job security. This theory consequently proposes that jobs should be designed in a way that sufficiently motivates employees to enable employees pursue organizational goals with fervor (Herzberg, 1968).

This theory was therefore construed to have relevance in this study, from the persuasion that technostructural interventions in arenas such as job enrichment, physical layout, and employee involvement constitute features which qualify them to be regarded as hygiene factors. As such, as abstracted in the conceptual framework of this study, and buoyed by the arguments of the two factor theory, interventions in these three areas of job enrichment, employee involvement and physical layout were hunched in hypothesis one, hypothesis two and hypothesis three to linearly, directly and positively influence bank performance.

### **2.1.3 Job Characteristics Model**

The model was designed by Hackman and colleagues and it primarily focuses on five structural characteristics of jobs: task variety, autonomy, feedback, significance and identity (Hackman & Lawler, 1971; Hackman & Oldham, 1976; 1980). According to the model, an employee can attain high internal work motivation if three important psychological states are experienced. These psychological states include meaningfulness of work, responsibility for the outcomes of the work and knowledge of the results of the work. However, to achieve the three fundamental psychological states, the Job Characteristics Model advocates that work should be designed with sufficient levels of all the five key job characteristics of task variety, autonomy, feedback, task significance and task identity (Hackman & Lawler, 1980).

Initially, there were concerns about validity of the model, especially in view of weak relationships between job characteristics and organizational performance (Aldag, Barr, & Brief, 1981). Simonds and Orife (1975) even cast aspersions to its cogency. However, scholars over time improved and expanded the initial model to consider social and technological developments in the workplace. As such, researchers now appreciate that jobs contrast not just in terms of the core task characteristics described by the Job Characteristics Model, but also in terms of key characteristics such as task complexity, specialization, as well as in terms of physical characteristics such as physical demands, equipment use and work conditions (Morgeson & Campion, 2003; Morgeson & Humphrey, 2006).

This model was therefore considered relevant in this study, as it relates job designs and work environment to employee and organizational performance (Hackman & Lawler, 1980; Morgeson & Humphrey, 2006). Accordingly and indeed as bolstered up by other scholarly points of view such as those of Lunenburg (2011), Morgeson and Humphrey (2006) and Cappelli and Rogovsky (1994), technostructural interventions were abstracted in the conceptual framework of this study to indicate a linear, direct and positive influence on bank performance.

## **2.2 Empirical Review**

Salau, Adeniji and Oyewunm (2014) investigated the relationship between job enrichment and organizational performance among non-academic staff in Nigerian public universities. The study adopted a descriptive research design approach where questionnaires were issued and completed by staff of public universities in Ogun State, Nigeria. The research adopted a blend of stratified and simple random sampling methods. Data was analyzed using correlation analysis, where it was established that there exists a positive correlation between job enrichment and organizational performance.

Khattak, Iqbal and Khattak (2013) investigated the relationship between employee involvement and organization performance in middle-size organizations in Pakistan. Data was collected from different organizations in Pakistan using six hundred questionnaires, but only five hundred and nine were returned, implying an eighty four percent response rate. The instrument constituted items adapted from Denison's (2000) questionnaire as it encompassed all the variable of the study. Product moment correlation analysis showed that employee involvement has a positive and statistically significant relationship with overall organization performance.

Sofijanova and Zabijakin-Chatleska (2013) explored the relationship between employee involvement and organizational performance in the manufacturing sector in Macedonia. Thirty six of manufacturing companies were used in the study. Bivariate regression was done and the survey data was analyzed using statistical package for social sciences. The results of Pearson's product moment correlation showed that employee participation and involvement had a positive and significant relationship with organization performance. Furthermore, the use of self-managed teams as a measure of employee involvement also had a positive and statistical significance with perceived organizational performance.

Kuye and Sulaimon (2011) examined the relationship between employee involvement and the performance of manufacturing firms in Nigeria. The study entailed administration of six hundred and seventy questionnaires touching on employee involvement and firm performance. This sample size was randomly selected by simple random sampling and the response rate was over ninety percent. Data was then analysed using product moment correlation and regression analysis. The results of the study indicated that there exists a statistically significant relationship between employee involvement and organizational performance.

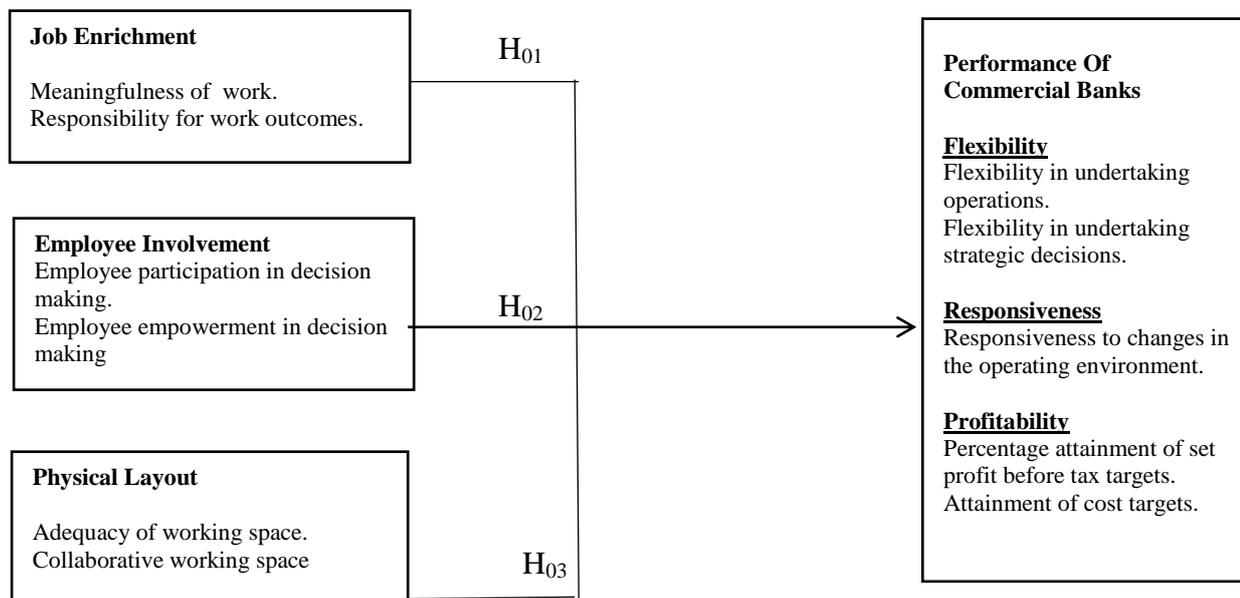
Ismail, Mahadir, Siti and Afida (2010) investigated the influences of physical workplace environment on the productivity of employees of the Ministry of Youth and Sports, Putrajaya, Malaysia, which in effect was in a bid to establish influences of physical layout on organizational performance. One hundred and fifty two respondents were sampled from several units using stratified random sampling techniques. Correlations were used in the study and it was established that an employee's physical environment is an important determinant of employee productivity in the Ministry of Youth and Sports, Putrajaya, Malaysia.

Hameed and Amjad (2009) studied twenty one banks in Abbottabad, out of a total population of thirty one banks. The sample size constituted of one hundred and five bank staff, to whom structured questionnaires developed by the researcher were administered to. The study established that space and physical settings have a positive relationship with employee and organizational productivity.

**Figure 1: Conceptual Framework**

**Independent Variable**

**Dependent Variable**



Source: Author (2017)

### 3.1 Research Design

The research philosophy for this study was determined to be positivist. On the other hand, the study adopted a blend of cross-sectional research design and descriptive research designs. Best and Kahn (2007) argue that descriptive research designs are characterized by a disciplined inquiry and are primarily undertaken through gathering and analyzing empirical data with the intention of developing knowledge. Cross-sectional research design in social science has, on the other hand, been argued to be a comparatively quick and inexpensive research design to administer, yet one having the ability to chart population wide generalizations (Cohen, Manion & Morrison, 2007).

### 3.2 Population and Sampling

Data on the variables of interest was collected from corporate relationship managers, business bankers and personal bankers stationed in the bank's branches and units in the County of Nairobi. The totals of these categories of respondents across the banks was eight hundred and forty three.

The sample size was worked out using the Yamane formula (1967) as indicated here-below:

$$n = \frac{N}{1 + N(e)^2}$$

Where N is the population size, n is the sample size and e is the level of precision sought by the researcher.

The precision level for this study was 0.05. Thus the population and sample size for the respondents' based on the Yamane formula above was computed as below:

**Table 3.1**

Category	Population N	Sample n
Corporate Relationship Managers	329	180
Business Bankers	206	136
Personal Bankers	308	175
<b>Totals</b>	<b>843</b>	<b>491</b>

**Source: Survey data, 2017.**

Sampling of the above respondents was by stratified random sampling which is considered the most effective probability sampling method where target populations are not homogeneous (Kothari, 2010).

### 3.3 Research Data and Instrumentation

The study mainly entailed collection of primary data. As such, data was gathered using Likert type five point scale questionnaires. The choice of the questionnaire method stemmed from the fact that questionnaires have been argued to be easy to administer and also are not an expensive way of undertaking social research (Whitely, 2002). Whiteley (2002) also posits that closed ended questions are more preferred in social research undertakings, given that answers from questionnaires can be easily quantified and analysed by the researcher.

A pilot study was also undertaken to help establish the degree of clarity of the proposed research instruments, and also help identify problem areas in the research design that needed to be addressed prior the main study (Zickmund, 2003; Neuman, 1997; Isaac & Michael, 1995; Borg & Gall, 1979). The pilot study entailed administering the proposed research instruments to forty respondents, who were not to be included in the final research (Monette, Sullivan & DeJong, 2002). Thirty five questionnaires were returned from these and the same were analyzed in the pilot study to determine feedback on clarity, layout, appearance, ease or difficulty of the questions and redundancies, besides also being used to test for instrument reliability.

### 3.4 Data Analysis

#### 3.4.1 Analysis of Response Rate

The required sample size was four hundred and ninety respondents. Of the issued questionnaires, four hundred and nineteen were returned, implying an overall seventy eight percent response rate. In the data editing process, thirty one questionnaires were found to be invalid and expunged. Thus, valid questionnaires used in the analysis were three hundred and eighty eight, suggesting an overall seventy three percent response rate. This response rate was considered satisfactory in view of opinions of scholars such as Roth and Bevier (1998) and Fincham (2008) who argue that a fifty percent response rate is considered adequate in social science research.

#### 3.4.2 Reliability Analysis

Instrument reliability was tested using the Cronbach alpha coefficient which is a popular measure of instrument reliability (Nunnally & Bernstein, 1994). Cronbach alpha coefficient was determined during the pilot phase and during the main survey. The pilot study Cronbach alpha co-efficient, was 0.792 and the main study Cronbach alpha coefficient was 0.784. From the arguments of Nunnally and Bernstein (1994) who argue that a Cronbach alpha of 0.70 is acceptable, these Cronbach alpha coefficients showed that the questionnaire instrument had acceptable thresholds of internal consistency and reliability and hence could be used in the study.

#### 3.4.3 Diagnostic tests

To test for normality assumptions, this study utilized the improved Shapiro-Wilk test. A value of one indicates normality whereas weak values indicate a departure of normality (Nornadiah & Yap, 2010). On the other hand, Levene's test for equality for variances was used to determine the existence of heteroskedasticity. Lastly, multicollinearity was diagnosed using variance inflation factor (VIF) techniques. The general rule was that values greater than ten would suggest presence of multicollinearity (Chatterjee & Hadi, 2006).

**Table 3.2: Summary of Results of Diagnostic Tests**

Variable	Shapiro-Wilk	VIF	Levene's Statistics
Job Enrichment	0.997	1.015	4.117
Employee Involvement	0.993	1.005	3.852
Physical Layout	0.998	1.017	5.875
Bank Performance	0.991	0.987	5.542

From the table 3.2 above, it is apparent that all the variables satisfied the threshold for normality of data. . The analysis of table 3.2 above indicates that the P values were all greater than .05 hence equality of variances was assumed (Joseph, Gastwirth, Yulia & Weiwen, 2009). Table 3.2 above also indicates that all the VIF values were less than ten hence the absence of multicollinearity was assumed.

### 4.0 Research Findings

A regression analysis was run using the Statistical Package for Social Sciences to analyze the model and to test  $H_{01}$ ,  $H_{02}$  and  $H_{03}$  and the following outputs were obtained.

**Table 4.1 Model Summary for Multiple Regression Output**

Model	R	R Square	Adjusted R Square		Std. Error of the Estimate
1	.742 <sup>a</sup>	.551	.548		.31666
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	47.266	3	15.755	157.127	.000 <sup>b</sup>
Residual	38.504	384	.100		
Total	85.770	387			
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.052	.176		5.968	.000
Job enrichment	-.048	.058	-.037	-.825	.410
Employee involvement	.674	.039	.728	17.365	.000
Physical layout	.046	.027	.071	1.702	.090

a. Dependent Variable: Bank performance

b. Predictors: (Constant), Physical layout, Employee involvement, Job enrichment

The model summary indicates that the coefficient of determination  $R^2$  was 0.551 implying that 55.1% of the total variation in commercial banks performance was accounted for by the three predictors, that is, job enrichment, employee involvement and physical layout. The shrinkage between the model coefficient of determination and its adjusted  $R^2$  was 0.003 suggesting that if the model was derived from the population rather than a sample, it would account for approximately 0.3% less variance in outcome. The ANOVA table indicates that the F ratio for the model was significant [ $F(3,384) = 157.12, P < .001$ ] to mean that the variation attributed to the predictors is very unlikely to have happened purely by chance. The constant term was also found to be significant at 5% significant level,  $P < 0.05$ .

The beta value for the variable of job enrichment was  $-.037$  and the corresponding p-value was 0.410. The negative beta value means that the more job enrichment interventions are used in commercial banks in Kenya, the higher the likelihood that performance of these commercial banks would reduce. On the other hand, the p-value of 0.410 being greater than 0.05 indicates that the effect of job enrichment on the performance of commercial banks in Kenya is not significant, at 5% significance level,  $P > 0.05$ . This means that the null hypothesis that job enrichment does not have an effect on the performance of commercial banks in Kenya is supported. Consequently, hypothesis one is not rejected at 5% significance level, which then implies that based on the data collected, there is no sufficient evidence to indicate that job enrichment interventions are suitable strategies of driving commercial bank performance in Kenya.

The beta value for the variable of employee involvement was  $.728$  and the corresponding p-value was  $.000$ . The positive beta value means that the more employee involvement is used in commercial banks in Kenya, the higher the likelihood that performance of these commercial banks would increase. On the other hand, the p-value of 0.000 being less than 0.05 indicates that the relationship between employee involvement and the performance of commercial banks in Kenya is significant, at 5% significance level,  $P < 0.05$ . This means that the null hypothesis stating that there is no relationship between employee involvement and performance of commercial banks in Kenya is not supported. Consequently, hypothesis two is rejected at 5% significance level, which implies that based on the data collected, there is evidence to indicate that employee involvement interventions are suitable strategies of driving commercial bank performance in Kenya.

The beta value for the variable of physical layout was  $.071$  and the p-value was  $.090$  hence implying that the relationship between physical layout and performance of commercial banks was positive but not significant, at 5% significance level,  $P > .05$ . The fact that the relationship was not significant suggests that hypothesis three is supported, implying that from the results of this study, there is no sufficient evidence to indicate that physical layout as a technostructural intervention has an effect on the performance of commercial banks in Kenya. Therefore, the null hypothesis that stated that physical layout does not have a significant effect on the performance of commercial banks in Kenya was not rejected.

## 5.0 Discussions

It is worth noting that the finding of hypothesis one indicating that job enrichment does not have a significant effect on performance of commercial banks in Kenya is fundamentally in contrast with the findings of Salau, Adeniji and Oyewunn (2014) who established that job enrichment has a positive correlation with organization performance. Whereas the study context for Salau, Adeniji and Oyewunn (2014) may have been different from the context of the current study, Pierce and Aguinis (2013) indicate that contradicting findings on the effect of job enrichment on individual and organization outcomes are common place in empirical literature. Even so, as job enrichment has been found to have positive effect in sectors such as manufacturing, assembly lines, nursing and consulting (Lunenborg, 2011; Cummings & Worley, 2009) the finding that job enrichment does not have an effect on the performance of commercial banks in Kenya is an important and unique contribution to the body of organization development knowledge and practice. The implication of the finding of hypothesis one of this study is that commercial banks in Kenya can therefore appreciate that even though job enrichment may produce positive outcomes at organization levels of analysis in other sectors, it is not necessarily a sound strategy of driving performance as regards to commercial banks in Kenya.

On the other hand, the finding that employee involvement has a significant effect on the performance of commercial banks in Kenya, as established in this study, finds semblance in other studies such as those undertaken by Iqbal, Mohammed and Khattak (2013), Sofijanovna and Zabijakin-Chatleska (2013) and Kuye and Sulaimon (2013). The common finding of the fact that employee involvement has an effect on organization performance is not surprising as employee involvement has a number of benefits to the organization, which as enumerated by Kuye and Sulaimon (2011) include enhancing of employee productive efficiency, improved decision making in the organization and improved organization performance, mostly resultant from better costs management due to reduced resources required to monitor employee compliance. Kuye and Sulaimon (2011) also cite Preuss and Lautsch (2002) who indicate that employee involvement has the benefit of among other things, improving an organizations flexibility. The finding therefore affirms that in the context of Kenya's commercial banks, employee involvement can directly influence organization performance as a stand-alone intervention and does not necessarily require the influence of a moderator or does not have to be implemented in combination with other interventions for it to produce desired organization performance outcomes.

Lastly, the finding that physical layout does not have a significant effect on performance of commercial banks in Kenya deviates from the findings of Hameed and Amjad (2009) and Ismail, Mahadir, Siti and Afida (2010) who established positive influences of physical layout on employee and organization performance. Nonetheless, a number of other research findings corroborate the findings of this current study, especially from the perspective that open work spaces, as the ones that characterize the working environment in commercial banks in Kenya, do not generally have an impact on organization performances (Augustin, 2014).

## 6.0 Summary and Conclusions

The first objective of the study was to establish the relationship between job enrichment interventions and the performance of commercial banks in Kenya. The resultant hypothesis from this objective stated that job enrichment does not have an effect on the performance of commercial banks in Kenya. The p-value of 0.410 being greater than 0.05 indicated that the relationship between job enrichment and the performance of commercial banks in Kenya was not significant. This means that the null hypothesis of there being no relationship between job enrichment and performance of commercial banks in Kenya was supported. From the findings of the hypothesis, it can be concluded that job enrichment is not a suitable strategy of driving flexibility, responsiveness, profitability and cost effectiveness of commercial banks in Kenya.

The second objective of the study sought to establish the relationship between employee involvement and the performance of commercial banks in Kenya. Consequently, the null hypothesis two stated that employee involvement does not have an effect on performance of commercial banks in Kenya. The findings of the regression analysis established that the beta value for the variable of employee involvement was 0.728 and the corresponding p-value was .000. This means that the null hypothesis which indicated that employee

involvement does not have an effect on performance of commercial banks in Kenya was not supported. From the findings of the hypothesis, it can therefore be concluded that employee involvement is a suitable strategy of driving flexibility, responsiveness, profitability and cost effectiveness of commercial banks in Kenya.

The third objective of the study was to establish the effect of physical layout on the performance of commercial banks in Kenya. The resultant null hypothesis three stated that physical layout does not have an effect on the performance of commercial banks in Kenya. The results of the regression analysis established that the beta value for the variable of physical layout was 0.071 and the p-value was 0.090 hence implying that the relationship between physical layout and performance of commercial banks was not significant. From this finding, it can be concluded that it is not judicious for commercial banks in Kenya to use physical layout as a strategy of driving organization performance.

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