

Influence of Work Environment on the Performance Commercial Banks in Garissa County, Kenya

Abdinoor Bashir¹, Dr. Hannah Bula²

^{1,2}Department of Business Administration, School of Business, Kenyatta University

Abstract: The main objective of this study was to examine the influence of work environment strategy on the performance commercial banks in Garissa County, Kenya. Descriptive research design was used. The targeted respondents were 149 respondents comprising of 4 branch managers and 145 employees from the four Banks in Garissa County, Kenya from 4 commercial banks in Garissa County namely; Kenya Commercial Bank, Equity Bank, National Bank and Cooperative Bank. Stratified sampling method was used to sample the respondents from the 4 Banks. A census of 4 managers was done and 45 employees were sampled using simple random sampling method forming a sample size of 49 respondents. Managers were interviewed and questionnaires were used to collect data from the employees. The study revealed that work environment had a positive and significant effect in performance of commercial banks in Kenya. The study concluded that work environment performs an essential role in motivating employees to carry out their assigned task and making a work environment wherein personnel are productive is essential to multiplied earnings for commercial banks. The study recommends that management of commercial banks in Kenya ought to attempt as a great deal as possible to build a work environment that attracts, preserve and encourage its employees so that it will help them work in a conducive environment and growth enterprise performance.

Keywords: Strategy, Work Environment, Performance, Employee strategy.

1. INTRODUCTION

Today's commercial enterprise surroundings consider the position of human resource as a strategic associate in place of assisting administrative duties because greatest property of the business enterprise is its work force. It's an agency's obligation to successfully manipulate the talent of its pool of workers to reap business targets. Expertise management is of middle to the vitality of the enterprise to fulfill and exceed cutting-edge in addition to attain business techniques and goals (Gupta *et al.*, 2011). Based totally on their crucial role the employees play towards organization performance, they are termed the existence-blood of an organization. The desire for companies to retain their competencies is crucial for their capacity to live in business is predicated upon on it.

Worker retention techniques are a plan or set of selection-making behaviour installed place with the aid of companies to hold their able personnel for overall performance (Gberevbie, 2008). Researchers have observed that employees are more likely to stay and work for the successful success of organizational dreams while appropriate employee retention strategies are adopted and applied by means of organizations (Chaminade, 2009; Willis, 2010).

In line with Madiha (2009) an employee's view of the corporation is strongly encouraged in the way they relate with their manager. By means of having guide, workers are much less probable to go away an organization and be more engaged with the aid of having appropriate relationship and open communication with the supervisor. Supervisors have interaction as a hyperlink to exercising programs amongst said desires and expectations. By means of harmonizing the competing

wishes, the useful resource in handling every inside and outside the work surroundings. If the connection isn't always first-rate, then personnel might try to look for other job opportunities elsewhere.

Organizational performance includes a couple of activities that assist in organising the desires of the agency, and screen the progress closer to the goal (Johnson *et al.*, 2010). It is used to make adjustments to accomplish dreams greater correctly and successfully. Business enterprise performance is what business executives and proprietors are generally concerned about. Despite the fact that the employees of the company are difficult to manage as they are busy doing their tasks, their agencies are unable to attain the deliberate effects. But, for any enterprise to be successful, features should be defined and achieved. It is vital for an employer to broaden techniques which can be designed across the talents that would enhance the performance of the company (Becker & Gerhart, 2009).

Managing organizational performance calls for corporations to reconcile being concerned for and developing their staff with ensuring that departmental and organizational pursuits are executed. This involves judging each exceptional scenario on merit and identifying a route of movement and control style that is proper for the state of affairs (Dess & Robinson, 2014). As an instance, we want to be worrying and compassionate if, for example, an employee wishes help and encouragement to get through problems or demanding situations. Being capable of check situations and adapt our control response is essential to coping with people. Dealing with the staff properly, will make certain dealing with performance nicely too. It's crucial to recognize a fundamental reality: that corporation overall performance determines its life within the competitive world of enterprise.

2. STATEMENT OF THE PROBLEM

Commercial banks are experiencing gigantic adjustments which have been hard to cope using traditional ways of working and personnel expectations. In a bid to cope up with the ever changing environment, commercial banks in Kenya have launched employee retention techniques together to allow them attract qualified human capital. However, after appeal and developing the human capital, personnel have endured to leave the bank for other opportunities in different companies in the country. Ernst and Younger (2014) report display that fierce competition and skills wars has resulted to pay rise as companies poach for staff rather than, train, motivate, preserve skilled and highly performing employees.

Studies have been undertaken in the area of employee retention. For instance, Thiriku (2013) researched on the perceived factors affecting employee retention in Safaricom constrained and found out that performance control practices were no longer obvious and unfair subsequently low retention and performance control practices are by way of objective, doable and sensible, systematic, participative and normal. Bula (2012) done a study on exertions turnover in the sugar industry in Kenya and revealed that labor turnover is big in the sugar corporations and that it affects all classes of workforce in these corporations. Bula (2012) advised that similar research have to additionally be undertaken to investigate the causes of other styles of hard work turnover aside from exertions turnover by way of resignation. This study therefore, investigated on the impact of work environment on the performance of commercial banks in Kenya.

3. LITERATURE REVIEW

Hameed and Amjad (2012) in a survey of 31 financial institution branches showed that cozy and ergonomic office layout motivates the personnel and increased their overall performance extensively. Aisha *et al.* (2013) of their study "outcomes of operating potential, operating situation, motivation and incentive on personnel multi-dimensional overall performance" discovered that the variables incentives, motivation and working situations have a large impact on employee performance in an Indonesian college. It's far evident from these researches that an amazing place of job surroundings performs a completely important in the direction of increasing performance of personnel in general.

Gitahi (2014) study looked at the effect of place of business environment on overall performance of industrial banks personnel in Nakuru city and the findings confirmed that psychosocial factors are a crucial element in boosting the overall performance of personnel than the physical place of work factors and paintings existence factors. Naharuddin and Sadegi (2013) examined on factors of place of business environment that have an effect on employees' overall performance: a case of Miyazu Malaysia. The findings confirmed that most effective supervisor aid is not vast in the direction of the employees' performance at the same time as task aid and bodily place of work environment had a sizable relationship in the direction of employees' overall performance. Amusa *et al.* (2013) studied work environments and activity overall performance of librarians in public universities in south-west Nigeria. The findings found out that there may be widespread correlation between work surroundings and job performance in libraries.

Tamessek (2009) analyzed the quantity to which personnel understand their place of business surroundings as fulfilling their intrinsic, extrinsic, and social wishes and their want to stay in the organisation. The writer additionally analyzed the impact of notion of place of job environments on employee dedication and turnover in the employer, he concluded that if the personnel are furnished with permitting administrative center environmental help, they may be exceptionally glad and display immoderate diploma of commitment towards their corporation and therefore low turnover rate.

Chevalier (2014) study revealed that after environmental helps are sound, personnel are better geared up to do what is anticipated of them. Chandrasekar (2013) discovered that place of work environment plays a massive position in increasing employees' performance. The findings by Ajala (2012) indicated that place of job environmental factors such as enough mild, absence of noise, right air flow and format association extensively growth employees' productivity. Khan *et al* (2011) investigated the effect of place of business environment and infrastructure on personnel' overall performance from the schooling in Pakistan and concluded that incentives at workplace had a superb impact on employees' performance.

4. RESEARCH METHODOLOGY

Descriptive research design was used. The targeted respondents were 149 respondents comprising of 4 branch managers and 145 employees from the four Banks in Garissa County, Kenya namely Kenya Commercial Bank, Equity Bank, National Bank and Cooperative Bank. Stratified sampling method was used. A census of 4 managers was done and 45 employees were sampled using simple random sampling method forming a sample size of 49 respondents. Managers were interviewed and questionnaires were used to collect data from the employees. The data was analysed descriptively.

5. FINDINGS

The study sought to examine the influence of work environment strategy on the performance commercial banks in Garissa County, Kenya. The findings are shown in Table 1.

Table 1: Work Environment Strategy and Performance

Statement	M	SD
Critical records flows effectively from senior leadership to workforce	3.80	1.025
Employees acquire beneficial feedback from my manager or manager on my job overall performance	4.09	0.890
The workplaces wherein employees work have mild room temperature /air flow	4.13	0.542
The business enterprise has ensured that personnel work in a smooth and ornamental office.	3.70	1.051
The personnel workplace without noise within the office	2.89	1.354
Personnel are concerned in placing meaningful desires and overall performance measures for their work	3.07	1.181
Professional and respected people are to be had to personnel to help them carry out better of their contemporary function and to assist them develop further into a future function	3.24	1.158
Aggregate	3.56	1.03

Key: M – Mean; SD – Standard Deviation

Source: Survey Data (2017)

The results in Table 1 indicate that majority of the respondents strongly agreed on the statements that the workplaces wherein employees work have mild room temperature/air flow as indicated by a mean of 4.13 and a significance variance of 0.542 and that employees acquire beneficial feedback from my manager or manager on my job overall performance as indicated by a mean of 4.09 which varied significantly as indicated by standard deviation of 0.890. These were followed by the statements that critical records flow effectively from senior leadership to workforce (M=3.80, SD=1.025), the business enterprise has ensured that personnel work in a smooth and ornamental office (M=3.70, SD=1.051), professional and respected people are to be had to personnel to help them carry out better of their contemporary function and to assist

them develop further into a future function ($M=3.24$, $SD=1.158$), personnel are concerned in placing meaningful desires and overall performance measures for their work ($M=3.07$, $SD=1.181$) and the personnel workplace without noise within the office ($M=2.89$, $SD=1.354$).

These findings concur with the findings of Tamessek (2009) who analyzed the quantity to which personnel understand their place of business surroundings as fulfilling their intrinsic, extrinsic, and social wishes and their want to stay in the organisation. The writer additionally analyzed the impact of notion of place of job environments on employee dedication and turnover in the employer, he concluded that if the personnel are furnished with permitting administrative center environmental help, they may be exceptionally glad and display immoderate diploma of commitment towards their corporation and therefore low turnover rate. Chevalier (2014) study revealed that if environment is sound, personnel are better geared up to do what is anticipated of them. Chandrasekar (2013) discovered that place of work environment plays a massive position in increasing employees' performance. The findings by Ajala (2012) indicated that place of job environmental factors such as enough mild, absence of noise, right air flow and format association extensively growth employees' productivity.

6. CONCLUSIONS AND RECOMMENDATIONS

The study concludes that work environment performs an essential role in motivating employees to carry out their assigned task. Employee's operating surroundings significantly influences their productivity. The study also concluded that worker's will enhance their performance if their issues identified are tackled by the management. Making a work environment wherein personnel are productive is essential to multiplied earnings for commercial banks.

The study recommends that management of commercial banks in Kenya ought to attempt as a great deal as possible to build a work environment that attracts, preserve and encourage its employees so that it will help them work in a conducive environment and growth enterprise performance. Commercial banks ought to have in place a very good operating situation for his or her personnel as a way to increase their morale and cause them to greater efficient.

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