INFLUENCE OF WORK ENVIRONMENT ON BANKING SECTOR EMPLOYEES PERFORMANCE IN KENYA

(A Case Study of Banks in Machakos Town)

BY

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ABSTRACT

This study sought to understand the influence of work environment on bank employees' performance. The main objective of the study was to assess the influence of work environment on employee performance in six (6) commercial banks that operate in Machakos town. The researcher majored on four main independent variables in the work environment and which mainly affected the performance of bank employees, namely; work place design, work force diversity, training and development and health and safety measures. The target population was 216 which comprised all levels of employees working within the six banks in Machakos town. In this study, Stratified random sampling technique was used to determine a representative sample from the three employee categories in each selected bank. A sample of 50% from each stratum was randomly selected for representation. This summed up to a sample size of 108 employees which was used in the study. The instrument of data collection was structured questionnaires .which were distributed among the respondents to obtain data. Data was analyzed using Statistical Package for Social Sciences (SPSS) program, Version 20 and presented using tables and charts to give a clear picture of the research findings at a glance. Majority of the respondents (77.2%) indicated that workplace design affected their performance. The study found that employers didn't encourage cultural and experience diversity and that the selection for promotion was unfair and not done according to performance. It was also found that the organizations were not secured with various security controls and there was no controlled noise and temperature environment in their workplace. Employees were selected for training on joining the company and that there was no specific schedule the training followed in the training. The study also discovered that the training did not help increase creativity and innovativeness among the employees. The study therefore recommended that banks in Machakos town be advised to provide a good working environment to workers in terms of workplace design, workforce diversity, health and safety mechanisms, and proper training of the workers since they significantly influence workers performance. It was suggested that further studies need to be done in other organizations other than banks in order to generalize the findings to all institutions and organizations.

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