EFFECT OF ORGANIZATIONAL LEARNING DIMENSIONS ON PERFORMANCE OF BANKING INSTITUITIONS: A SURVEY OF COMMERCIAL BANKS IN SELECTED COUNTIES IN KENYA

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DECLARATION AND APPROVAL

Declaration

This thesis is my original work and has not been presented for the conferment of a degree or for the award of diploma in this or any other University:

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DEDICATION

I dedicate this thesis to my family and my children Sharleen Chebet and Sean Kiprotich.

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ABSTRACT

Organizational learning in the global world has become very important since it is believed to be the basis for competitive advantage. Current environmental challenges have forced upgrades in organizations due to competitions as well as purpose of continuity and being relevant in the business environment. The study focused on the banking institution in Kenya as it is a vibrant sector that has been forced to adapt to the major changes in the global world and local environment in order for them to survive and remain competitive in viable organizations. The purpose of this study was to determine the effect of organizational learning dimensions on performance of banking institutions at commercial banks in Nakuru and Kisii Counties, Kenya. The specific objectives were to determine the effect of individual learning, team learning, organizational systems and knowledge sharing on organizational performance of the banking institutions. The study was informed by single and double loop, behavioural and cognitive theories. The study design employed was a cross-sectional with a total of 257 employees who were sampled from a population of 776. A two stage sampling procedure was used to pick the respondents: stratified sampling to select the banks and simple random sampling to select the respondents. Data collection was carried out using questionnaire and the obtained data coded and processed using Statistical Packages for Social Science (SPSS) version 22.0. Validity was attained by subjecting the questionnaire to the subject matter experts who had wider experience and overall reliability score of 0.783 achieved using the Cronbach alpha test. Descriptive statistics such as measures of central tendencies and measures of variations were utilized in this study and also inferential statistics such as Correlation analysis and regression analysis which established the relationship between the performance of commercial banks and the independent variables. The results indicated that all the organizational learning dimensions studied had a positive association with performance in the banking institutions. The individual independent variables were found to explain variations in the dependent variable (Organizational Performance) as follows: individual learning (R^2= 0.678) 67.8%, team learning (R^2= 0.254) 25.4%, organizational systems (R^2= 0.430) 43% and knowledge sharing (R^2= 0.351) 35.1%. In total all the Independent variables collectively explained 73.4% (R^2= 0.734) of the variation in the dependent variable. The remaining 26.6% is attributed to other variables outside the model. Regression coefficients along with the P-values showed that the organizational learning dimensions on individual learning (β_1=0.701, p=0.000), team learning (β_2=0.217, p=0.000) and organizational systems (β_3=0.059, p=0.003) had a strong positive relationship with organizational performance apart from knowledge sharing (β_4= -0.072, p=0.002) which had a strong negative relationship. Based on the β-values it can be concluded that all organizational learning dimensions studied except knowledge sharing contributed positively to improved performance within the banking institutions. The study recommends that human resource development personnel should capitalize on individual learning which would enable them promote innovative performance, there is need for job enlargement in the organization, strategic management systems should be embraced in the banking institutions, a common database for sharing information and re-deployment of employees. The study further suggest that similar study should be done on other sectors in Kenya for instance the public sector and findings be compared to establish if there is consistency on the effect of organizational learning dimensions on performance.

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LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis Of Variance
BBK	Barclays Bank of Kenya
CBK	Central Bank of Kenya
CEO	Chief Executive Officer
HRD	Human Resource Development
KCB	Kenya Commercial Bank
KNHP	Kenya National Housing Population
KNBS	Kenya National Bureau of Statistics
LO	Learning Organization
NACOSTI	National Commissionfor Science, Technology and Innovation
NBK	National Bank of Kenya
OL	Organizational Learning
PPS	Probability Proportional to Size
SPSS	Statistical Package for Social Sciences
VIF	Variance Inflation Factors

DEFINITION OF TERMS

Individual learning refers to a firm way of responding, utilizing and having preference in acquiring new information. This implies that an individual is able to process information when interpreting phenomena, evaluates the consequences of actions and applies the acquired knowledge and understanding in redefining their concepts (Hayes and Allinson, 1998). In the study it shows how employees help each other to learn, giving time to support learning and rewarding employees for learning.

Knowledge Sharing is the practice of exchanging knowledge among individuals, group and organizational divisions within an organization (Suveatwatanakul, 2016). In the study it is the practice of employees to share knowledge in form of written reports, through conversation and meetings.

Learning Organization is a place where employees continually develop their capacity to create results they truly desire (Senge, 2010). In this study it means an organization which gives opportunity to its employees to continually acquire and use new knowledge.

Organizational learning is the process of undertaking learning in an organization geared towards equipping individual employees with more skills, knowledge and abilities in an organization and ensuring information is stored in an organization memory. In the study it means the learning which takes place in organizations carrying same practices such as individual and team learning, knowledge sharing and knowledge management.

Organizational Performance is the capability of a firm to achieve its set aims and objectives to accomplish its mission by use of a firm governance, united management and dedicated team of gaining output in terms of efficiency, profitability and customer satisfaction. In this study performance means the commercial banks making profits and bank employees are satisfied with their work.

Organizational Systemsare the operational functions that guide an organization (Kameri-Mbote, 2002). In the study systems are the procedures, vision, structures, culture and leadership that give a roadmap on organizational operations.

Team learning istheautonomy to adapt individual aims as required, the ability to revise thinking as a result of team discussions on information needed and the confidence that firms will act on their recommendations. In this study it is what enables employees to cooperate in service delivery and sharing of knowledge for the betterment of the organization.

Banking Institutions refers to institutions that maintain deposits, provide payment mechanisms, develop money in the economy, ensure effective monetary policy and offer advisory services to clients on matters related to banking. The institutions further grant loans, accept the purchase or credit of bills and cheque, purchase and sale of securities as approved by the commissioner of central bank and the federal Gazette (Oloyede, 2006).

Commercial Banks also known as formal financial institutions referto merchant and conventional banks with regulatory frameworks that manage their operations. Oke (2002) reveals that commercial banks carry out a number of functions such as allowing deposits from corporate and public organizations, grant credits and operation of both the settlement and payment schemes.

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter presents background, statement of the problem, purpose, objectives, hypotheses, justification, significance, scope, limitation, and delimitations of the study.

1.2 Background of the Study

Organizational learning is a strategy adopted by organizations eager to remain competitive in business environment where performance is pegged on continuous employee development through acquisition of skills, knowledge and competency facilitated by an intervention program undertaken to bridge performance gap of employees. Organizational learning is also a vibrant process of creation, acquisition and application of knowledge intended for improvement of human resource competences that contribute for better firm's performance (Montes, Moreno and Morales, 2005). Organizational learning is used to enhance acquisition of competencies, skills, experiences, knowledge, innovativeness and creativity for effective job performance in the current jobs and preparation for future employee development and succession planning (Salim and Sulaiman, 2011). Organizational learning in the global world has become very important since it is believed to be a basis for competitive advantage. Through organizational learning, organizational abilities are enhanced hence promoting knowledge to cope with external environmental changes (Loon, Hoe and McShane, 2010).

Organization’s ability to learn, gain knowledge and be innovative has an influence on organizational performance, market survival; competition and achievement of greater performance hence continuous change in the business. Present environmental challenges have forced upgrades in organizations because of competition, as well as for the purpose of continuity and being relevant in the business environment. The need to remain competitive, open to challenges and be productive in dynamic environment is of great importance. Demand for new innovative products and services have increased in the banking sector hence it has embraced organizational learning and has continually improved its service provision to achieve the fundamental performance (Montes, Moreno, and Morales, 2005).

Globally, careful consideration given to organizational learning and information has resulted to putting up structures and systems that enables employees to execute their learning practices (Kim and Han, 2019). Learning is a vital factor that guides the workers' states of mind and practices to improve their performance. Learning activities inside the company can be seen as precursor aspect for organizational operations, viability and proficiency among the employees. These learning sharpen direct positive connection with viability and solid positive connection with company responsibility (Tseng, 2010). Organizational learning has been seen to be significant in these industries: public sector, non-governmental organizations, banking institutions, enterprises, manufacturing firms, professional firms, and insurance businesses.

In Asian continent, the organizational learning has gained prominence in various sectors. Jain and Moreno (2019) investigated the impact of organizational learning on the firm’s performance and knowledge management practices in an engineering organization.

Results showed that organizational learning factors were positive predictors of different dimensions of a firm's performance. Choi and Park (2014) examined the relationship between learning transfer climates and organizational innovation. Their results revealed that private organizations had significantly higher mean scores compared to public organizations for learning transfer and perceived organizational innovation.

In Africa,(Dewahand Peterson, 2013) assessed how knowledge loss could affect public broadcasting corporations' performance of Botswana, South Africa, and Zimbabwe. Findings showed that even though the corporations had lost valuable knowledge to competitors, there were still no measures to harness this knowledge. Though the study recommended establishment of knowledge officer's post to oversee sharing of knowledge, at the broadcasting corporations' it is clear that the issues associated with knowledge attrition need more in-depth analysis and resolution. Research and discussions on organizational learning have not been restricted to the Asian, America, Europe and Middle East. Thoithi (2013) noted that there have been efforts to assess the organizational learning in Africa, and particularly East Africa.

The demand and need for learning among public sector organizations has also been echoed in Uganda. Bwegyeme and Munene (2019) demonstrated through their paper on how action learning principles were implemented to alleviate complex problems in Universities. The paper focused on registrars and administrators under the academic registrar's department. In another context, (Issa, 2010) suggested that implementation of public service reform programs in Tanzania had been a source of new ideas and innovations as a result of the continuous learning approach.

They proposed that the reform history and its management, not only contribute to the learning achieved but also associated with incremental changes. SharifiandIslamiye (2008) investigated the relationship between organizational learning and application of information and communication technology in the Islamic Azad University and the study revealed that organizational learning influence information and communication technology. In Kenya,a study by (Soi, 2013) on determinants of organizational learning in the Government of Kenya Institutions showed a positive relationship between organizational learning and continuous improvement in the organizations.

Research studies reviewed showed new methods of learning and efforts of assisting learning to take place as proposed in main theories that contribute to organizational learning. The significance of learning results from the reality that conception of learning technique prompts forecast of the person's conduct. It can also be characterized as a plan of achieving information, knowledge, new ideas, and ability of solving problems. Additionally, learning has gained either good or bad behavior with corresponding action (Huber, 2010). Mengich (2016) asserts that organizational learning is an essential component in institutions and that organizations that do not have such plans entrenched in the structure have been observed to be unable to develop and promote its staff. Sahaya (2012) concludes that accomplishment of a learning organization has led to enhanced attainment of high standard of education. These studies have focused on other sector and not banks.

The theory of single and double loop learning (Argyris and Schon, 1996; Argyris and Schon, 2001; Common, 2004) anchors the concept of organizational learning which links directly to individual and team learning. Behavioral theory (Kotter, 1995; Delavar, 2000) anchors the concept of organizational systems.

Cognitive theory (Tolman, 1930; Teece, 1998) anchors the concept of knowledge sharing. An organization has to learn new things on what must be accomplished in the light of changed conditions, and would be able to select how this could be accomplished. Single-loop learning is successive, focused on incremental issues of openings within the extent of firm's activities. Twofold circle learning is significant for difficult, non-programmable issues. Twofold circle learning also questions why the issue happened in any case, and handles its main drivers, as opposed to just tending to its surface manifestations, as occurs with single circle learning. Behavioural learning focuses on the organizational structures, infrastructure and leadership system on how it influences the performance of the institutions and also it has some criticism on individual learning, and this implies that an individual should always be active. Cognitive theory deals with the process in which employees receive, remember, receive, retrieve and interpret the acquired information. This proposition is the justification for conducting this study in the banking institutions in Kenya to add up on empirical grounding.

This study seeks to shed more light on the association between organizational learning dimensions and performance of banking institutions. Organizational learning is a transformational procedure where various stakeholders give their experiences on learning both independently and as a team to accomplish organizational objectives (Huber, 2010).

This aids the organization to adapt to the changing business environment. Firm's ability to learn, gain skills and knowledge and be innovative influences organizational performance and market survival.

Organizational learning has four-stage information processes such as the acquisition of information, dissemination of information, interpretation of information to give meaning and recycling of the knowledge and ensuring it is stored in an organizational memory.

Organizational learning enhances organizational abilities by increasing the level of organization's competition and performance. Organizations allow creativity and innovations in a learning environment (Chen and Chen, 2010). Organizational learning theory shows how individuals and team learning can be transformed into organizational asset and is in this way connected to procedures of information administration (Bustina, Molina and Aranda, 2010). Organizational learning is acquired by sharing prudent information and individual models and theories of organization. Issa, (2010) admits organizational learning is accomplished through continuous flow of information. In this manner association learning is accomplished by unequivocal and understood information blend by cooperation amongst staff and distinctive parts of an association. Huber, (2010) added that organizational learning as a process comprise of information procurement, allocation and shared usage. Information given may be obtained from understanding, coordination and experiences of others. Advantages of organizational learning and information administration are same for people in public as well as private associations. Individual, team and organizational levels of organizational learning have an effect on performance. Currently, organizations endeavors to move towards a learning zone to experience the competitive advantage (Kamau, 2012).

The organizations with learning practices have clear comprehension of their condition on clients, suppliers, rivals and innovators (Chen and Chen, 2010). Organizational learning through introduction of change and information sharing have an impact on learning practices which in turn affects organizational performance. Organizational learning plays a fundamental function in improving organizational performance. Through globalization new learning requirements are viewed as proceeds of change (Sharma and Sharma, 2002). The business environment is supported as societal system which is a perfect atmosphere for learning (Kamau, 2012). Organizational learning provide interaction with the environment and influences learning in various ways such as facilitating information flow, an evaluator of the organization's learning process and acquisition of knowledge and finally promoting smooth learning.

Organizational learning concept has been viewed as having capacity to transform and influence learning organization practices. Learning by itself in any organization is capable of bringing total change (Kamau, 2012). Organizations do not adjust to their environs but rather have capabilities to cause change hence, influencing their business environment. Organizations have efforts to develop their learning abilities, enhance their progress and expansion (Senge, 2010). It is through innovation that organizations have benefited from organizational learning over the years. Organizational learning in its components has creativity, new knowledge, ideas and increases the potential of applying the newly acquired skills to cause positive change (Kamau, 2012). Hence, the need to for carrying out this study on the effect of organizational learning dimensions such as individual, team, organizational systems and knowledge sharing on performance in the banking sector in selected counties in Kenya.

Learning Organizations is a place where employees continually develop their capacities and create results they have passion in it (Senge, 2010). In this study it means an organization which gives opportunity to its employees to continually acquire and use new knowledge. Learning organizations that are dynamic and flexible are capable of surviving in today's contemporary environment which is complex and ever changing (Al-adaileh, Dahou and Hacini, (2012). This means that organizations that adapt learning activity, embrace new subcultures having the abilities to produce, accomplish and make use of the knowledge to transform its workforce capabilities through shared vision, employee competency by obtaining new information (Pokharel and Sang, 2019). Learning organization is one that continues to progress in the changing environment. An innovative company does not accept the rigidity but continuously looks for ways that exceed the expectations of their clients. In high performing organizations, it brings staff of all cadres to invent new skills on daily operations. In modern learning organizations, there may be openness to new ideas and a willingness to take business thoughts on board thus yielding to a success (Armstrong, 2006). Learning organization is a method of enhancing organizational efforts in order to get competitive advantage in their respective target production and develop structures (West, 2000).The current contemporary changes in working environment, prompted by complexities have led to organization adopting innovative ways of survival. This has enabled these organizations in identifying and developing ways of managing these changes that were not initially structured. In such conditions, to safeguard and to preserve the competitiveness of the organizations while benefiting from challenges, new type of organizations tends to grow through organizational learning practices.

Regards to these associations, learning methods are observed, analyzed, shaped and dealt with in the development and change of set objectives (Sahaya, 2012). Learning is considered as change in behaviour and the end results ought to be exchanged to observable conduct. Change in conduct is relatively steady and is a bit much in the wake of learning. Although, potential energy of various activities is made, this ability is not displayed instantly in conduct. Conduct changes comes about because of gained experience through continuous practice. Finally, acquired experience empowers individual in an organization set up (Huber, 2010). Various levels of organizations enable individuals to acquire skills on various aspects of organization.

Performance is the capability of a firm to achieve its set aims and objectives to accomplish its mission by use of a firm governance, united management and dedicated team of gaining output in terms of efficiency, profitability and customer satisfaction (Liao and Wu 2009). Cascio (2014) added that organizational performance is the measurement of its outcome of intangible assets, client satisfaction and excellent services delivery. Commercial banks performance in Kenya is determined using the leverage on alternative channels such as internet, mobile and agency banking, development in bank accounts, deposits and loan book. Today, the emphasis in service delivery organization is to operationalize performance along sustainable balance score card. Balanced scorecard is a tool for monitoring and evaluating organizational activities (Mugambi and K'Obonyo, 2012). It is through employee commitment that their performance is measured hence there is a relationship between organizational learning dimensions and performance. Organizational performance builds on well established balanced scorecard but add some factors designed to capture a firm's social and environmental performance.

These perspectives include financial measures, internal business processes, customer fulfillment, employee learning, growth, and environmental performance (Mugambi and K'Obonyo, 2012).Empowerment of employees indicates firm's processes to create and share a collective vision and use feedback from its members. Vision is a mind of building a dedicated group by ensuring shared dreams has principles and practices that govern it (Omolo, 2012). The skills encourage members to build their own personal vision, create shared visions and spread visions that have commitment from members. A vision that is persuasive gives a sense of meaning to employees, motivates them to accept and achieve organizational goals which enable the firm to adapt to the business changes and become a successful organization (Veiseh, Mohammadi, Pirzadian and Sharafi, 2019). Successful visions are persuasive and influence the performance of the organization and that their followers are identified with and accepted as stated by Mwangi and Kwasira, (2019).

1.2.1 Banking industry

In the recent years, the banking industry has made tremendous investments in technology based channels which focuses on reaching a wide vast network of new clients. According to the study by (Gubbins, 2015), it revealed that banks in Kenya have boosted their access points through opening of more branches and ATMs. The study further indicated that banks in Kenya have also been compelled to adopt organization learning dimensions such as knowledge sharing into the human resource departments with the goal of boosting a more productive workforce and efficient that can offer a high level of competitiveness. Ray, Muhanna and Barney (2012) revealed that the banking industry in Kenya has immensely grown in deposits, new products, assets and profit ratio over years.

Improved technology, wide branch networks, and expansion of strategies put in place both in Kenya and East Africa communities which have supported its growth immensely. The growing competition in the banking sector has strengthened the commercial banks to develop strategies that enhance their performance to attain competitive advantage in the market environment. A number of commercial banks have adopted the new technology by digitizing their organizational systems to ensure banking is smoother, faster and better while promising customers the best experience with benefits of continuous improvements. This implies that the banks have no other option but to promote organizational learning in order to meet the customers' expectations.

Various studies agree that high productivity is as a result of putting in place systems that organization utilizes to achieve its set targets and objectives. Effectiveness of employees leads to successful organizations which relies on the abilities, skills and knowledge possessed and acquired by its employees (Al-adaileh, Dahou and Hacini, 2012). It further enables managers to formulate strategies that incorporate the utilization of information technology in their operations. Such organizations have been known to be competitive in nature hence it experiences growth and development leading to high performance (Bharadwaj, 2013). Therefore, from the reviewed literature there is a clear indication that commercial banks have grasped the use of mobile money in targeting the lower income customers in ensuring their development and in addition to increased customer experience with benefits in service delivery, which in turn sets the center stage for developing interest in organizational learning among the banks.

1.3 Statement of the Problem

The Banking Sector in Kenya is currently facing challenges due to the current dynamic business environment that is facing rapid changes in technology, introduction of mobile banking, changes in legislation on interest rates and increase in competition. As a result, some commercial banks are facing challenges of closure, staff rationalization, restructuring, challenges of embracing new technologies and conservative practices which have hindered employee growth and development (Chukwedi, 2014). Banks performance have therefore, been affected and are struggling to remain relevant and competitive. Banking sector and its leadership have a responsibility to put in place systems that support organizational learning hence it calls for organizational commitment to learning (Omolo, 2012).

Various theoretical studies do not clearly address the effect of organizational learning dimensions on performance in the banking institutions in Kenya. The few that have been conducted have criticism in the scope and methodology used. The study by (Mengich, 2016) on the influence of organizational learning practices on organizational performance findings showed that most Kenyan commercial banks had to a large extent adoption on practices of learning. The study assessed practices of learning which are different from the dimensions of organizational learning. The study also employed census research method while this study uses survey method.. Other studies have focused on financial performance however, this study focused on non-financial aspects of performance.

There is no recent study on organizational learning dimensions and their effect on organizational performance of the banking institutions. Hence, the need for this study to be carried out in order to bring out the effects of banks using organizational learning dimensions.

1.4 General Objective of the Study

The main goal of this study was to determine how organizational learning dimensions affect performance of banking institutions: A survey of employees of commercial banks in selected counties in Kenya.

1.5 Specific Objectives of the Study

The study was guided by the following objectives:

i. To determine the effect of individual learning on performance of commercial banks in Nakuru and Kisii counties.
ii. To determine the effect of team learning on performance of commercial banks in Nakuru and Kisii counties.
iii. To establish the effect of organizational systems on performance of commercial banks in Nakuru and Kisii counties.
iv. To establish the effect of knowledge sharing on performance of commercial banks in Nakuru and Kisii counties.

1.6 Hypotheses of the Study

The following hypotheses were tested at 5% significance level:-

Ho^1: Individual learning has no significant effect on performance of commercial banks in Nakuru and Kisii counties.

Ho^2: Team learning has no significant effect on performance of commercial banks in Nakuru and Kisii counties.

Ho^3: Organizational systems have no significant effect on performance of commercial banks in Nakuru and Kisii counties.

Ho^4: Knowledge sharing has no significant effect on performance of commercial banks in Nakuru and Kisii counties.

1.7 Justification of the Study

The necessity for organizational learning dimensions at levels of the job is relative to the reasons for business and organization. The growing global economy, competition, advancement in technology, customer expectations, and demand in skills, new innovations and developments are some of the challenges that require the flexibility of an organization in adapting to them to ensure competitiveness and its survival. This implies further that it is important to understand the dynamics that add up to organizational learning dimensions and their effect on performance of the banks. A total of 17 commercial bank branches out of the 43 licensed by the Central Bank of Kenya are operating in the study locations, Nakuru and Kisii counties. A number of banks have closed some of their branches in the two counties in order to ensure rationalization of the business cost and staff. It is also worth noting that despite the introduction of e-banking services, some of the commercial banks such as Equity and Kenya Commercial Bank still have long queues and congestion in the banking halls. This prompts the need to carry out this study in order to establish if the banking institutions through organizational learning dimensions have utilized the learning opportunities for its employees so as to determine its effect on organizational performance.

1.8 Significance of the Study

The concept of organizational learning has adequate theoretical literature but the empirical evidence on the effect of organizational learning dimensions on organizational performance is few. This has encouraged this study to be undertaken. The research results will benefit organizations in providing the right information on the importance of organizational learning concepts while strategizing for the future. This will further enable them make improved decisions, lower the levels of uncertainty, adopt new strategies and assist the organizations in ascertaining trends.

1.8.1 Managers of the institutions

The management may identify how various dimensions of organizational learning influence the operations of the banking sector in the two counties. The study may assist management in understanding the concept of organizational learning dimensions and its importance on performance.

Banking managers may realize the existing gaps in the performance management process which may be brought about by lack of information, individual learning, team learning, organizational systems, and knowledge sharing and knowledge management. It may therefore assist managers in coming up with appropriate learning programmes for their employees and also make rational decisions which support implementation of organizational learning practices. They may identify the challenges that commercial banks face in implementation of organizational learning practices hence determining organizational learning effect on performance.

This study may assist employers in reviewing organizational policies on organizational leaning so as to enhance its performance.

1.8.2 Policy makers

In this study, the policy makers may acquire knowledge of the banking industry and also get empirical evidenced knowledge to be used for improvement of performance in the banking sector. It may assist human resource policy makers in the banking sector enhance, formulate and utilize policies which are in line with the strategic objectives.

They may also obtain guidance in designing suitable practices that may guide the shareholders in contributing positively to organizational performance in the study of commercial banks in Nakuru and Kisii Counties in Kenya and any other organization which values high performance.

The study may assist human resource practitioners at the banking sector to further understand the linkage between the different functions within Human Resource by increasing in knowledge of the importance of establishing and preserving a learning organization culture and how it affects organizational performance and the achievement of organizational targets. The functions may be streamlined in enhancing the competitiveness of organization in the business environment.

1.8.3 Researchers

Researchers may be able to gain added knowledge from the study findings which focuses on several commercial banks involved in the acquisition of information, dissemination of information, interpretation of information to give meaning, recycling of the knowledge and ensuring it is stored in an organizational memory. Other researchers having related topics will benefit in that the findings may act as a source of reference material.

1.9 Scope of the Study

The research was limited to employees working in all the selected Commercial Banks in Nakuru and Kisii Counties, Kenya. The research was undertaken in the month of June 2018 to January, 2020. The study was limited to organizational learning as the main independent variable which contained four dimensions: individual learning, team learning, organizational systems and knowledge sharing, and organizational performance was used as the dependent variable. This study was restricted on the effect of organizational learning dimensions on organizational performance of the banking institutions while considering banks in Nakuru and Kisii counties as the selected case study.

1.10 Limitations of the Study

A number of challenges were encountered in the study although it did not significantly interfere with the outcome of the study findings. The data collection instrument which was a self-administered questionnaire limited the respondent’s understanding of the questions asked despite the instructions given which resulted to filling the questionnaires incorrectly or biased results which contributes to reporting inaccuracies.

This was addressed by taking the respondents through the questionnaire and ensuring that they have understood all the listed questions.

The other limitation of the study is that it only covered commercial banks in Nakuru and Kisii Counties and therefore the findings may not apply to the other bank branches of the country that might require the same kind of practice. The study also considered the banking industry only and the findings obtained may not reflect the generalization of other organizations in different sectors. Despite the limitation, the results, interpretation and reporting were not affected.

Reluctance of respondents in providing information was a challenge. This is because they felt that providing information required might put them at risk of losing their jobs. This challenge was handled by assuring the respondents that the information will only be used for academic purpose and that it will remain confidential. The study did not attain 100% response rate due to the nature of the targeted respondents. That is they had busy schedules and overwhelming work load.

1.11 Assumptions of the Study

This study was based on the assumption that all respondents would cooperate and willingly disclose appropriate information for the study and that all banks would have the same terms of service.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter attempted to clarify the concept of organizational learning dimensions: individual learning, team learning, organizational systems and knowledge sharing on organizational performance of the banking institutions. This study was guided by theoretical framework and related literature of previous researches conducted on effect of organizational learning on performance. A conceptual framework was provided to establish the relationship between the variables of the study and highlighted gaps in the existing studies.

2.2 Review of Related Literature

Relevant literature to the study was examined so as to establish the organizational learning dimensions on performance in the banking institutions.

2.2.1 Effect of individual learning on organizational performance

Individual learning has two dimensions: continuous learning that stand for firm's effort to build opportunities for employees to learn. Secondly, dialogue and inquiry dimension which creates a custom of asking questions, doing experiments and giving feedback in an organization. Individual learning demonstrates transformation in ability, behaviour and trusts in revolution. Individual learning is a procedure that information and knowledge is acquired through exchange of understanding.

A firm gains from its employees who are willing to learn. It is through individual learning in an organization that learning is guaranteed (Senge, 1990). Individual learning has been thought as fundamental for transformation of organizations in improvement of essential capacities and ensuring that people are ready for uncertain future (Huber, 2010). Individual workforce embraces learning and well-established processes to become organizational learning (Alavi, 2010). Knowledge and learning has to be supported by actions in organizations since individuals generate it. Ideas shared by individuals and actions taken in an organization enable learning to be sustained (Argyris and Schon, 1999) hence this is more practiced in team learning. People's responsibility regarding learning and learning capacity is vital for organization advancement. Individual advance arrangement is a key principle component of individual learning guaranteeing firm benefits as well as faculty and this is an employee’s responsibility.

Individual learning comprised of continuous learning, dialogue and inquiry dimensions. Akintayo (2010) defines continuous learning as a growth of employees through learning activities and experiences. Dialogue and enquiry involved open and honest feedback, seeking views from others and what others think of their respective views, and spending time to build trust with each other. It is applicable to the following levels in an organization: individuals, team and organizations being the processes that will assist in achieving the overall objectives.

The spirit of inquiry needs to be developed through understanding of underlying assumptions and beliefs. Garvin (2010), states two basic primary approaches to inquiry are: descriptive and exploratory approaches. Descriptive approach involve focused questioning with the aim of determining a goal, being precise, use of patterns or comparing of products and services. An exploratory approach on the other hand is the use open ended questions to elicit users' perception and needs. According to Garvin (2010), the skills required in inquiry and dialogue are the ability to conduct interviews, make follow ups, have an open mind and listen emphatically. In addition, dialogue fosters thinking collectively, communicates effectively and promotes innovation. It is also seen that an organization that encourages a culture that has two-way communication in terms of individual opinion and exploration are seen as management supporting organizational innovativeness (Behjanna and Sharifi, 2019).

Continuous learning process brings change as one cannot learn and still be the same person, team or organization. There is a constant progression in the way people think and act as this is brought by understanding new skills and knowledge (Behjanna and Sharifi, 2019).The continuous learning would entail a behavior change and perception of an individual as this sharpens and develops his own thinking skills and knowledge (Ivancevich, 2010). At individual level, learning requires time, effort and rational decision to learn. In any organization, management should make individuals understand the value of continuous learning, and how it will not only help the organization, but also, it will be of great benefit to the learner as well (Armstrong, 2006).

At the individual level continuous learning can be done through use of seminars, workshops, trainings, coaching and mentorship (Senge, 2010). Individuals can learn a new knowledge and skill by taking up a new course or alternatively buy self-help book to guide them as they learn. Behjanna and Sharifi (2019) added continuous learning for teams is collective individual learning, which means that if the members of the team acquire and share new knowledge and information, then team learning takes place hence there is a set of learning processes that support and aid team performance in the form of reflections, group discussions, experimentation, question and answers sessions and finally feedback. Continuous learning is an attempt by the organization to generate learning opportunities for all employees working in the banks. It is also vital for both individuals and organizations in short term and long term success. Maurer and Weiss (2010), studied on the aspects of managerial work that are associated with a need for competence at continuous learning showed that at individual level the benefits of continuous learning are the acquisition of better knowledge and skills. Individual increases their abilities to achieve the organizational objectives and be competitive in the job market.

According to Maurer and Weiss (2010) study continuous learning is increasingly important because individuals gain new skills and develop in terms of professionalism which is key to career and organizational successes. Learning, development and growth of employees help in retention of employees in an organization. Therefore, organizations struggle to remain relevant in a competitive business environment hence a continuous learning dimension is required within organizations. Leadership of any organization ensures to nature employees talents and skill hence acknowledge as a core career competency (Maurer and Weiss, 2010).

Competency is a combination of skills, knowledge, abilities and other experiences that are required for an efficiency of service delivery (Choi and Park, 2014). Coyne and Kevin (2004) noted that core capabilities is an arrangement of aptitudes, skills and knowledge that are incorporated hence it prompts the ability to execute one or more of the basic process to get to the principles of worldwide specifications. Competency is an area of capability that enables a person or organization to perform tasks or fulfill responsibilities (Maurer and Weiss, 2010). Competency is an individual attribute that is measured to give variation on the significance between performers and less performers, or between efficient and inefficient workers. Competency is also a set of behavior change that an organization need to bring to a point in order to perform the mandated tasks and purpose in the service delivery of desired results (Maurer and Weiss, 2010).

Additionally, matters on financial information that the organization may portray on capital and provision of services to customers are available. Core ability is thought to assume a vital part in creativity and cooperation among the employees. Hence, the outcomes of the core ability are to be obtained affirm the predominance of aggressive execution (BlazevicandLievens, 2004). The organizational executions shows the end outcomes of work which are incorporated in many variables like: interaction, corporate culture, commitment, climate for innovation, communication, job processes, team, loyalty, satisfaction and business environment (Liao and Wu, 2009). Employees at personal level should be able to improve on their individual career growth and way of acquiring knowledge, skills, abilities and other experiences required (Akintayo, 2010).Continuous learning holds is very important both to individual and team that aims to achieve and realize their intended.

Greve (2003) added continuous learningin organization comprised of change patterns, improved policies and procedures, friendly culture, and working systems that are innovative hence organization achieve their overall goals.

2.2.2 Effect of team learning on organizational performance

Team learning has been referred to as actions of employees which are brought together to accomplish a shared goal giving priority to the interest of the organization (Chukwedi, 2014). Team learning is important in that it ensured democracy at the workplace, enhances change, encourages innovation and creativity among employees, and allow for effective decision making. Team learning involves forming teams which are expected to work reasonably towards the realization of organizational goals (Chukwedi, 2014).Team Learning relates to goal setting, information sharing, and group collaboration and mirrors the organization's efforts in relation to dialogue and inquiry (Chukwedi, 2014). A mass or group learning is another level of learning. It implies that a group can be assumed to be a unit and have creativity of its own. Grouping facilitates exchanging of information horizontally or hierarchically through the flow of information in an organization set up. Senge (2010) affirms that learning organization concept is an art and ability of gaining knowledge. An organization, that always develop and helps its employees to learn and improve their skills tend to thrive. For an organization to survive in this decade, organizational changes are inevitable. Therefore, organizations must change their systems to be able to fit the dynamic world (Shoaib, Ahmed, Erum, &Shaheryar, 2011).

Team learning is an important element of all learning organizations (Garvin, 2010).Teamwork is a collective discipline that comprises developing the practices of dialogue, informed discussion and how to deal with creativity and powerful forces that oppose productive discussion and dialogue, such as defensive reasoning, conflict, avoidance routines and game-playing. It inspires people to develop shared understandings about difficult issues, coordinate their activities and share best practice (Chukwedi, 2014). Commitment is a combination of relevant skills and knowledge required for efficiency in service delivery (Bhardwaj, 2013). Joint effort is the actions of employees brought together to accomplish organizational common goal by giving priority to the interest of the organization (Chukwedi, 2014). Team learning ensures there is democracy at the workplace. It also enhances change, encourage creativity and innovation by allowing effectiveness in decision making (Zaied, Hussein and Hassan, 2012).

Teamwork also increases effectiveness and efficiency hence firms are able to meet their targets and even exceed their customers' expectations. Implementation of teams increases effectiveness and efficiency among employees. Teams cooperate to bring unity in an organization (Bustinza, Molina and Aranda, 2010). It's a way of enhancing their individual efforts through the assistance of top management and employees working. Employees who are motivated are committed in their assigned duties and responsibilities hence organizations achieves the intended purpose (Zheng, Sharan and Wei, 2010).

According to (Yi, 2009), teamwork is an approach of enhancing the performance of individuals, group and organizations. It is through it that managers mentor and nurture individuals hence leads to continuity. There are various strategies of increasing performance in a competitive business environment.

Hancott (2014) argue on the two skills of interpersonal team and self-management. These features empower communication and boost staff performances. Mulabe (2013) affirms that team work is very important in a working set up. Teamwork is an accurate measure of organizational performance in that it demonstrates different characteristics of activities involving non-benefit. One study concluded that the great managers are individual who assigns the obligations to staff in a group so as to take more yield from staffs (Yi, 2009). The other study concluded that it ought to be designed as framework of group working with each organization for staffs to move from one level to the other and disseminate best practice in amplifying yield. The main attention for developing and actualizing such structures is to improve and mould employee learning (Mulabe, 2013).

Yi (2009) added that teamwork is a method that enhances the performance of employees and organizations as well but it should be noted that care is key. Team spirit gives employees an opportunity to share their views and ideas in the organization (Mengich, 2016). Team also allow individual achieve team objective. It is through cooperation that members come together with the belief of achieving the organizational goals. Team spirit accomplishes organizational objectives (Manaf, 2012). People who come together have related discipline and they also share the intention of achieving better results. Teams' empowers individuals to have a common goal and also allow areas of criticisms hence improving standards of organizations (Mengich, 2016).Employees should also embrace unity among themselves; this brings trust and honesty in a working environment.

The groups develop the trust in every others' capability (Alavi, 2010).Trust bring change on the behavioural basis of collaboration, which brings about hierarchical cooperative energy and better performance of employees.

It is through trust that employees in the organization believed in their leadership hence improvement of operational activities. It is the obligation of organizations to provide a working environment that is conducive. Organization must change conduct behavior in appraising and evaluation of organizational values (Eisenhartd and Martin, 2000). According to Manaf (2012) groups exist when there's teamwork and shared aims among employees. Lessening mistakes, growth in profit and client satisfaction are the criteria's variety through realization of the group that that enable evaluation done (Manaf, 2012). Top management must support contributions among the employees hence trust is fundamental value of the group.

Trust therefore, provides opportunity to employees; individuals and can also share their weaknesses, accept comments freely and state their feelings hence lead to cooperation in an organization (Edmondson, 1999). Work groups represent a number of people who relate with one another, and are aware of other group members (Kamau, 2012).Groups are characterized by frequent discussions and communication among their members they are also influenced by all other group members (Mulabe, 2013). Kamau (2012) acknowledges that rewards are the main focal point of the employees who are working in groups. Teams demonstrate the jointly strength of people and boost the inspiration and morale of person also. Managers view the team's to have a working effort.

Tseng (2010) adds that teamwork is the communal mode of working through the efforts and cooperation of members. Executives of an organization have plans that outline a suitable reward framework for the staff and empower their contribution in group activities. They also set the collective objectives that are associated in the organization strategic plans, growth of staff execution and reasonable compensation strategies.

After execution of rewards framework to employees, managers have the responsibility of setting up their groups. They have also a duty to monitor the cooperation actions so as to check its viability as it is the main focus of each company methodology (Teece, 2000). Quality Circles are an employee involvement and team-building process for improving organizational performance. Quality Circles and the closely related topics of Quality of Work Life and participative management form the leading comprehensive approach to human resource development and group dynamics in today's complex business, industrial, and governmental environments (Chukwedi, 2014).

Chukwedi (2014) added that quality circle is also a group of employees/volunteers who come together with an intention of looking aspect of the work. It's a group of workers up to a maximum of 10 from the same working environment such as a department who meet regularly/weekly/monthly, fortnight with an intention to consider, analyze, and investigate and to solve products and quality problems and working conditions. Studies further recommended teamwork as delicate procedure that should be dealt with cautiously in a steady organizational business environment. Ambula, Awino and Obonyo (2016) argue that viable organizational atmosphere is where staff communicates, participate and work in trustable environment. Teamwork involves forming teams which are expected to work coherently towards the realization of organizational goals (Chukwedi, 2014). Team learning increases the skills of groups of employees to focus on the larger picture and exceed individual views. This research therefore, sought to determine the effect of team learning on performance in banking sector.

2.2.3 Effect of organizational systems on organizational performance

An organizational system establishes systems that capture and share learning. A system connection shows the relationship between the internal and external environs. Learning organization allow employees to adhere to the requirements and adapt to changes (Gephart and Marsick, 1996).Organizations where learning method is examined, observed and expanded tend to be innovative and improve in attainment of organizational goals. It is through ways of doing things, systems, processes and performance that facilitate learning. In addition, it involves skills and capability in creation, obtaining knowledge and enhances positive behavior of new skill and behaviour. Sahaya (2012) points out that learning organization also entails accepting new patterns and ideas. This could transform organizational performance, their structures and the working environment. This could be through organizational learning practices embraced by their organizations which may affect performance.

The key most important systems and operation functions in the banking sector are finance system, human resource management systems, procurement systems, management performance systems and information communication technology. Appropriate management practices demand for accountability, transparency and sustainability concepts which are necessary for institutionalized formal guidelines and procedures put in place (Kameri-Mbote, 2002). Personal Mastery refers to "knowledge that increases individual capacity in an organization that supports all its employees to develop their own careers towards achieving organizational goals and purpose intended". Personal mastery depends on principles and practices existing in an organization.

Employees therefore, need to build individual vision, enhance creativity, understand the organizational structures, be responsible, and committed to the organization (Senge, 1994).The importance of acquiring excellent human capital increases organizational competences (Sahaya, 2012) and a number of organizations put more effort in order to become an organizational learning. Management of commercial banks developed business system such as organizational structure, business process and framework that give direction to operations and transactions in the banking sector (Kameri-Mbote, 2002). The evidence of these systems can be seen through the use of formalized procedures, organizational continuous improvement, use of standard operating procedures, and use of factual approaches to decision making by management and process approach to management of the banking industry. Good business performance is not possible without the knowledge that comes from an appreciation for systems, identification and correction of these weak points in a system furthermore processes changes incrementally as business grows.

There are three kinds of learning loops that have been known in organizational learning system: single-loop, double loop and strategic learning. Single-loop learning is generally the basic learning loop, and happens when organizations are evaluating their procedures to check their level of performance and also look for ways of improving them (Argrys and Schon, 1999). More often it involves doing things right through consultation hence it is less expensive and also other alternative approaches for the same objectives can be used. Greve (2003) highlights that organizations source for ways to address organizational challenges and problems by referring to the solution of a previous similar problems and finding ways of applying to those problems.

This approach also stresses the importance of involving other employees within the organization, provide solutions to problems that arise thus, they feel that they are part of decision making. Double loop learning focuses on doing things better and exceeding the expectation of customers through monitoring process of errors and ensure that the organization adopt new strategies of improving their processes. This can be termed as an effective method of addressing problems since there is involvement of employees by inquiring whether outputs are well addressed towards achieving the desired goals (Argrys and Schon, 1999). The Organizational Learning give emphasis on problematic search however, the organization explores in a wider environment for solutions as they concentrate on understanding the sources of error and non- performing. Strategic loop learning focuses on defining strategic vision of an organization. In this approach the assumption is, that people can only change the way they perceive things and take up their roles and activities by questioning on fundamental objectives, procedures, assumptions and organizational culture.

Blank (2000), gives the idea of setting up infrastructures for learning in the sections, departments as well as public sector agencies. The learning measures put in place has influence on organizational performance hence improving learning and knowledge of employees. However, this shows that organizations can become single loop learners because they make own decision whereas the double loop and triple loop-learning are influenced by leadership in power (Common, 2004).

Organizational learning could help the employees adjust to the various responsibilities and make necessary changes to promote organizational performance. Single-loop and double-loop theory therefore, is appropriate to this study as it will help in determining if team learning affects organizational performance of the banking sector. The organization's vision has also been revealed to be linked to different organizational level of effectiveness indicators such as long term firm survival and excellence and the firm's ability to navigate uncertainty environments (Mortazavi and Partovi, 2014). Visions that are based on shared ideals and values have been shown to help leaders persuade their followers to pursue the ideal vision of an organization with increased zeal such that both the personal and organizational performance improves (Hancott,2014).This implies that shared vision plays a vital role in achieving organizational performance.

Mwangi and Kwasira (2015) added that leadership as a means of influencing others to achieve efforts, value addition, shared vision and integrity. The environment influence members of the group by interacting freely among themselves to achieve the intended purpose. It is normal practice that each supervisor set targets for each individual member and the group. Vision challenge existing standards, strategies and conventional wisdom. Vision passes on anticipations of high productivity. It provides certainty to the supports (Shamir, 1993). Vision provides direction of attainment of goals hence preventing firms from doing abnormal things (Senge, 2010). Mwangi and Kwasira (2015)documented four variables significant to vision of organizations as center convictions and beliefs as the establishments of a vision of an organization, it expounds a purpose for the firm, elaborates what could possibly be done to satisfy its purpose, and also specify wide objectives.

Common (2004) administration continues and changes the system that governs, discipline, passion and vision. Vision serves three vital purposes in bringing change: it explains the general changes in direction, improves good realistic choices, and it also helps in coordination of activities of individuals having varied foundation. Vision shows the direction of an organization and gives the essential basis why those in authority, leadership and their supporters are taking a certain direction (Mwangi and Kwasira, 2015). These stimulate individuals and unite the dedicated staffs towards attaining organizational objectives. It also provides meaning to work. It sets up norms of excellence. Vision describes, clarifies and gives the direction to achieve the goal. Individual authority is the bedrock for creating shared vision and this common vision is fundamental for a learning firm since there is provision of energy and concentration for learning. Without shared vision an organization cannot survive in a competitive environment; it may only respond to it. It also gives employees the power to communicate their feelings, learn from past mistake, innovation and experimentation (Senge, 2010).

Mwangi and Kwasira (2015) added that vision serves emerging activities and provides rationality to the entire organization practices by bringing harmony to the diversity in any creativity. Shared vision is exceptionally vital for any organizational learning particularly since it drives hierarchical individuals to work harder in a similar way to achieve known goals (Slater and Narver, 1995). Several studies, have expressed positive relationship between organizational learning on shared vision (Senge, 1994). The non-existence of shared vision has been examined as a reason of disappointment for organizational learning process (Fahey and Prusak, 1998).

The desire to make a vision emerges from the following arguments: need to manage a hierarchical achievement; need for innovative policies, demand of job rotation and getting better and a necessity for transformation in the society. This gives meaning to hard-work and establishes the principles of worth (Hancott, 2014).Shared vision help employees understand organizational vision and create room for improvement as it allows total focus on employee learning. Shared vision can be seen as building a sense of commitment in a team by developing shared images of the future, creating principles and guiding practices through which organizations wishes to attain (Senge, 1994). Shared vision gives the employee opportunity to focus and have energy for learning (Senge, 2010). It is through shared vision that employees and management have shared mental framework of the world in the organization, its markets environment and their competitors. According to Senge, (2010) shared vision is important for organizational learning because it provides the employee focus and energy for learning. The discipline of shared vision is the set of tools and techniques in bringing different aspirations into alignment of common things that people have.

It is also through commitment to service delivery that organizations achieve their goals by building on a shared vision for a long term hence customer satisfaction. Culture is the emotional environment shared by employees in an organization (Zollo and winter 2002). Yi (2009) claim that "there is always the possibility that an organization will have multiple cultures, no one of which is dominant, or that will be a dominant culture and one or more subcultures". Culture comprised of the following forms: use of language, use of symbols, customs, ways of solving problems, embracing technology and design of work settings that groups of people create through social interaction (Cascio, 2014).

Organizational cultures are created, maintained and transformed by employees and leadership of the organization (Cascio, 2014). They further asserts that leaders at the executive level are the core principle source for the generation and re-infusion of an organization's ideology, articulation of core values and specification of norms. Organizational norms express the culturally acceptable behaviors for instance ways of achieving goals. Armstrong (2005) added that organizational culture are patterns of norms, beliefs, values, attitudes and assumptions that may shape the ways in which people behave and get things done in any organization. It is well-known that the quality of the organizational culture matters greatly for organizational learning and performance (Chen and Tsou, 2012). Learning does not necessarily take place only in the minds of individuals, but rather "stems from the participation of individuals in social activities" (Kim, 1993). Organizational culture holds intense implications upon the organizations who wish to increase their effectiveness through organizational learning.

Cascio (2014) quotes Schein who theorizes that organizational culture is the "basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously, and that define in a basic 'taken for granted' fashion an organization's view of it and its environment". "This deeper level of assumptions is to be distinguished for the 'artifacts' and 'values' that are manifestations or surface levels of culture, but not the essence of the culture" (Robinse and Stephen, 2006) gives a number of functions of culture in organizations because it distinguishes between one organization and others. First it expresses a sense of identification of members in the organization.

It also facilitates the generation of commitment to something larger than ones individual self-interest. It further, enhances the stability of the social system, that is, culture is the social glue that helps hold the organization together by providing appropriate standards for what employees are expected say and do. Lastly, it serves as a sense making and putting control mechanism to guide and shape the attitudes and behaviors of employees. Developing organizational culture that values learning, growth, and knowledge sharing must be properly established in order to promote organizational learning (Manaf, 2012). An organization that desires to foster creativity and innovation should instill a work culture that encourages learning hence be able produce new ideas or products (Manaf, 2012). Organizational culture that is over powered by rigidity to adherence of rules and regulations rarely encourages staff to ask questions on challenges and to alteration of the status quo (Common, 2004). It is therefore important that management enhances organizational learning dimensions in the banking sector by creating a friendly environment and a culture that encourages employees to acquire knowledge, knowledge sharing and management of knowledge to allow networking and collaboration with colleagues and external partners (Common, 2004).

2.2.4 Effect of knowledge sharing on organizational performance

Knowledge sharing is the exchange of knowledge between individuals, group and organizational divisions in an organization. An organization should provide good leadership and proper knowledge management for learning since leaders think purposefully on how to learn, create change and move the organization in a new direction (Yang, 2004.

Knowledge sharing enhances the firm's ability in integration and reconfiguring knowledge resources thus contributing to improved performance (ChenandTsou, 2012). This means that knowledge resources can be perceived as dynamic capabilities that help integrate ideas, skills, expertise and experiences to suit the changing environment. Teece (2007 holds that gathering resources is not adequate in maintaining of a competitive advantage but firms need to reconfigure their resources into dynamic capabilities. This study sought to make a contribution in establishing the effect of knowledge sharing on performance of banking institutions. Ngah and Ibrahim (2016) measured knowledge sharing by focusing on competence from experiences, education, training expertise and business knowledge obtained from partners.

Knowledge is the information that is combined with experiences, context, interpretation and reflection (Chien& Tsai, 2012). Knowledge acquisition, knowledge conversion and knowledge application are processes of knowledge management that enhances organizational performance to remain in a competitive business environment (Yusoff&Daudi, 2010). Yusoff&Daudi, (2010) were categorical that organizations need to facilitate sharing of knowledge, continually generating knowledge, within the organization and application of knowledge for organization to generate new products or services. Darroch& McNaughton (2002) observed that knowledge management facilitates the learning process in organizations.

Employees’ empowerment is a vital instrument for organizations. Human resources are viewed as strategic resources for any organization and staffs’ empowerment approach is important for human resources development because of organizational execution, items and services, quality and profitability which is enhanced. Staffs’ empowerment is fundamentally attached with the profitability of organization. Empowerment’s sense in staffs inspires them to accomplish the organizational objectives. Staffs with empowerment effectively and cheerfully accept obligations and are helpful demeanors for others and environment. (Asgarsaniet,2013). Staffs empowerment and leadership affect execution of organization. (Abdullah 2013).Furthermore, Akbar (2011) investigated that staff’s empowerment has vital relationship with staffs’ job fulfillment. When staffs will be more fulfilled they will work with more focus and naturally hierarchical execution will be improved. Staff enhancement in choice making can be helpful and hence fulfills their desires.

Staff empowerment has positive and important relation with organizational adequacy. Empowerment may affect the growth, adequacy and productivity of organization. If the firm utilizes staffs’ capabilities in organizational operations the non-financial and financial execution are valued. Global firms that are competitive in business market drive the staffs’ empowerment as an important function in management. It is through theseorganizations that motivated; dedicated, satisfied and skilled staffs enhance their execution and retain themselves at competitive business environment. Correspondingly, (Dizgahet, 2011) staffs empowerment towards achieving the vision has positive cooperation, adequacy dedication in the organizational (Chi Tseng, 2010).

Hassan, (2013) also mentioned that staffs' inventiveness has positive relationship with organizational performance and innovation. In services sector innovativeness is an important variable and has effect on execution. Organizations cannot disregard the value of inventiveness to retain their selves at aggressive world. There is a direct association of supervisory association and job intricacy with staffs' creativity.

According to Besle, (2012)portrays the core abilities as a specific aptitude, skills and attributes of knowledge empowers organization to exceed the expectations of their customers and hence accomplishment of client satisfaction as compared with competitors, through innovation of processes, assets in one or more of the practices and supervising the these actions. Mayer (2009) viewed core capabilities and established unique assets of the organization and the assets were divided into two substantial and immaterial, and affirm that the core abilities is epitomized in the intangible assets particularly, for example understood information and learning aggregates throughout existence of the organization, have an unpredictable schedule, which is hard to emulate by others.

Kiessling, Richey, Meng&Dabic, (2009) added that knowledge management has been practiced in 80 percent of prominent companies globally. He also concluded that the power of knowledge management in an organization could not be overestimated since organizations maintain her growth and development. Knowledge management comprised of knowledge conversion, transfer and application. Knowledge acquisition is an activity within the domain of knowledge management that has been widely practiced especially among firms that want to gain specific knowledge in a specific context (Ahmad, Mohamad& Ibrahim, 2013).

Scholars suggested that the role of individuals in knowledge transfer process is conceptualized as knowledge acquisition process. In order to effectively acquire knowledge, firms need to rely on availability of expertise among employees in the organization. Firms can also acquire knowledge from external sources by hiring people possessing the required knowledge or by purchasing knowledge assets such as patents, research documents or other intelligence material ((Dalkir, 2005). Huang & Li, (2009) argue that effective knowledge application increases organization capability of managing different sources and types of knowledge and using knowledge to achieve competitive advantage. Knowledge application refers to an organization's timely embracing technological changes, by utilizing the knowledge of technology generated into new products and services (Dalkir, 2005). The acquisition of knowledge requires greater specialization than its application into new products and processes (Dalkir, 2005). Hence, innovation requires the coordination of efforts from individual specialists who possesses variety types of knowledge. In this regard, the role of the organization is to encourage effective knowledge application of individuals it employs through incentives and direction (Chein& Tsai, 2012).

Knowledge Management in the technological application of knowledge is new and is critical in planning of activities, appraisals of employees, aid in decision making by top management, evaluation of organizational performance and redesigning of organization's operating systems (Chen & Chen, 2010). Knowledge management addresses the key processes of knowledge management such as: identification, acquisition, storage and application of knowledge (Edwards, 2011).

Abdul, (2008) considered knowledge management processes to include: identification of knowledge, creation of knowledge, acquisition of knowledge, distribution of knowledge and finally, knowledge exploitation. Mohrmanet& Simon, (2006) added organization's performance is enhanced when organizations create knowledge, transfer the same knowledge, use it and safeguard knowledge for future generations.

Knowledge is considered to be vital resource of firms and economies (Yi, 2009). Knowledge sharing is perceived to be the activities of distributing knowledge from individuals, teams, groups and organizations. Today's organizations have acknowledged that competitive advantage hinges on effective knowledge management (Zaied, Hussein and Hassan, 2012). The purpose of knowledge sharing is integration of individual knowledge into organizational strategy which is perceived as a basic requirement for the future (Nonaka and Takeuchi, 2007). Organizational performance can be efficiently enhanced if employees shared information, their experiences, and opinions with one another hence is important to establish the relationship between knowledge sharing and performance. Effective knowledge administration ensures knowledge sharing provides easy access to knowledge, skills and experience (Chien and Tsai, 2012).

Knowledge sharing involves the exchange of information from individual, group and to organization (Fugate, Theodore and Mentzer, 2009). Organizations that are successful in acquiring internal and external knowledge are said to be more innovative and better performers (Andreeva and Kianto, 2011). According to Yi (2009) knowledge sharing increases production, improvement of the work processes, creation of new business opportunities and aid organizations in achieving its performance objectives.

It is further argued that the aim of knowledge sharing is to enhance organizational power and action through shared vision and utilization of past experience (Senge, 2010). This study argued that knowledge sharing enable organizations to take action to change innovation and realization of successful competition thus improving their performance. Ngah and Ibrahim (2016) measured knowledge sharing by requesting participants how often they shared knowledge for instance through reports, documented information, handbook, manuals, experience, knowledge and education and training from expertise. Knowledge sharing operationalized written reports, organizational communications through meetings held personal conversations with employees and shared databases. Written reports improve sharing of explicit knowledge which can be accessed, tracked, evaluated, computerized processed, electronically transmitted or databases storage and recorded (Bloodgood and Salisbury, 2001). Based on competitive advantages it is less hard to imitate. Explicit knowledge also expressed in a formal written communication, systematic language and visual way as it can be collected in form of shared data, formulas, specifications and manuals (Skinnarland, Asa, Oslo and Sharp, 2016).

Meetings involve knowledge sharing through formal interactions. Tacit knowledge can be shared through meetings and other organizational communications such as workshops and seminars (Yi, 2009). Tacit knowledge is strongly rooted in an individual’s actions, ideals, values, emotions and experience he or she embraces. It encompasses knowhow and organizations image of reality and the future vision (Nonaka and Takeuchi, 2007). Tacit knowledge has to be changed into numbers or words that can be understand by readers.

Meetings and organizational communication creates an avenue to share tacit knowledge. Tacit knowledge is all about innovation and unlearning the organization's old view of information (Nonaka and Takeuchi, 2007). Employees share tacit and explicit knowledge to enable the organizations achieve their objectives through shared vision and teamwork (Yi, 2009). Personal conversation involves informal interactions among individuals to help and support each other (Yi, 2009).

The aim of personal conversation is to help employees work better and more efficiently through shared vision. It helps reduce cost through reduction of mistakes and errors. Knowledge sharing can also be done through the quality circles of practice such as voluntary groups of employees bound by informal relations that share related work roles (Skinnarland, Asa, Oslo and Sharp, 2016). The development of the internet has made unlimited sources of knowledge available and has enhanced knowledge sharing. Shared databases create forums for increased cooperation and coordination among members of different departments and organizations (Dalkir and Hamid, 2006). It enables best practices to be shared and followed in work methods (Skinnarland, Asa, Oslo and Sharp, 2016).

Dalkir and Hamid (2006) assert that online sharing forums enhance interpersonal relationships amongst employees and help them in the creation, sharing and transferring of knowledge in the organization. Information technology helps in trailing of persons with particular expertise and enhances knowledge sharing with them (Bloodgood and Salisbury, 2001). This study seeks to establish whether banking sector shared knowledge through written reports, meetings, personal conversations and shared databases and how it influence on organizational performance.

Knowledge is a key competitive resource in the organizations that has influence human resource selection and recruitment practices in a number of organizations (Suveatwatanakul, 2016).

Suveatwatanakul (2016) emphasizes that the organizational learning has ability to learn in order to create a competitive advantage that is sustainable. This learning ability is developed through knowledge acquisition, knowledge sharing and knowledge utilization. It is through sharing of knowledge that learning is operational.

Knowledge sharing is significant to organizational learning hence achievement of a competitive advantage in an organization. It is through sharing of knowledge that organizations enhance its learning by becoming more effective and competitive (Skinnarland, Itera, Oslo, and Sharp, 2016). Knowledge sharing fundamentally is making knowledge available to other staff within the organization (Ipe, 2003). Knowledge sharing enables managers to have the individual learn smoothly through the organization and integrate it for application purposes (Ngah and Ibrahim, 2016). It is believed that knowledge sharing is the most important procedure of administering information (Skinnarland, Asa, Oslo and Sharp, 2016).

Sharing of information is a procedure that is fair to learning trade and analyzes variables hence clarifying why people take part in this procedure Ngah and Ibrahim, 2016). Knowledge sharing is the distribution of knowledge that has been learned hence the concept is at the heart of the learning organization (Suveatwatanakul, 2016). Ngah and Ibrahim (2016) further argued that sharing of knowledge may not be easy especially if tacit knowledge is perceived to be a basis of power by some individuals within the organization. Knowledge sharing also allows others to add learning through application and development of information in the organization (Chuang, Jiang, and Joseph, 2006). Knowledge sharing has two types of individuals: knowledge seekers and knowledge sources.

Knowledge seekers are known to be looking for knowledge whereas knowledge sources have the knowledge that the seeker needs (Skinnarland, Asa, Oslo and Sharp, 2016). This study sought to established whether banking sector share knowledge through written reports, meetings, personal conversations and shared databases and how this dimension relate to performance.

2.2.5 Organizational learning and performance

Learning is a method of acquiring knowledge and skills through experiences. Organizational learning is a continuous experimentation and transformations based on available knowledge to allow organization achieve its objectives (Senge, 2010). Organizational learning has processes such as: acquisition, distribution, interpretation of information and organizational knowledge management (Huber, 2010). Organizations acquire information through understanding the received information, having the know-how of information, possesses knowledge and adhering to organizational procedures and techniques which influence performance (Argyris and Schon, 2001).

Through organizational learning it increases organizational abilities hence promoting knowledge to cope with external environmental changes (Loon Hoe and McShane, 2010). Organizations today focus at offering excellent products and services to satisfy the requirements of all customers in the society.

Technological changes, dynamic customer demands, and increased globalization are factors that have led to stiff competition in the business environment (Al-adaileh, Dahou and Hacini, 2012). Banks have embraced organizational learning practices and continuous improvement in achieving the required performance (Loon Hoe and McShane, 2010). The banking industry in Kenya has grown continually in member's deposits, assets, profitability and other products over years.

The growth has been contributed by improved technology and industry wide branch networking both in Kenya and in the East African community region. The organizational learning concept is the latest in business and organizations are embracing slowly.The ever increasing competition in the banking sector has forced the commercial banks to plan ways of enhancing performance to be able to achieve competitive advantage in the business environment hence promoting learning for this purpose. Stakeholders contribute their learning experiences both individually and teams to attainment of goals through organizational learning and transformational process (Huber, 2010).Several decades the concept of organizational learning has taken its prominence as a means of achieving competitive advantage. Organizations have been forced to develop their learning for the purpose of continuity and survival in the business environment (Al-Nsour, Marwan and Al-Weshah, 2011). Organizational learning emerges to increase competencies that are cherished by the customers hence the organization achieve its competitive advantage.

A number of organizations think that organizational learning is due to continuous training programmes organized for their staff and staff development activities that are linked to the appraisal processes which are not the case.

Learning varies from training hence this is a traditional approach that training activities is seen as a reward to the employees by employers in terms of promotions.

This has an effect on the expected outcomes of the programme objectives, as a result failing to achieve the set goals (Alavi, 2010). Training of employees by the top management to bridge an identified performance gap identified in their abilities or skills. The aim of training employees is for them to gain new knowledge and refresh themselves and to better their performance.

Employees in an organization prefer learning for their own development. Therefore, a organizational learning is one which employees in all cadres learn whether individually or as a team hence production of good results (Alavi, 2010).The relationship between organizational learning dimensions and organizational performance requires holistic approach that is committed to account for employee characteristics and related conditions such as employee outcomes and knowledge management Organizational learning studies collectively and continually transforming way of doing things to better management of resources and use of knowledge for organizational success. Organizations that are faced with uncertainties and turbulent business environment have capacity to learn due to competitive advantage (Cheruiyot, Jagongo and Owino, 2012).Garvin (2010) argues that it is through learning that organizations learn from wide experiences, improvement of working programmes, use problem solving techniques and introduces efficiency in service provision brought about by formal training programmes that are linked to achievement of the intended goals.

Firms require relevant information and skill with the progression of time hence supportive structures. Firms have the individuals, who oversee, support, and run operations of the organizations.

Salim and Sulaiman (2011) in his study on organizational learning, innovation and performance states that innovations, competition, and change in market have dissolved viability of rationality techniques, structure and framework. Tseng (2010) while making his commitment expressed that the predominant uncertainty in the quickly changing environment in untrue situations makes the analysts to question the adequacy of hierarchical set up of organizations. These scientists proposed the need of essential change in the teaching of management and leadership.

Hierarchical change is an area of enthusiasm for organizational development and the emphasis has been on significance, core values, purpose, and its existence other than financial and social accomplishments. Organizations spend time to create vision, mission, qualities and objective of the organization. These core issues are well-articulated and helpful in a futurist organization. The fundamental nature lies within the interpretation center, foundation of philosophy, alongside the aim, values, and drive customs of a firm within its social condition (Collins and Porras, 2006). According to studies carried out by Tseng (2010) faulty or poorly characterized vision or mission statement might promote enterprise failure. El-Namaki (2002), in his investigations, creates a dream of basic importance in today’s competitive environment. Research advocates for a dream that emerges from the contentions of: a necessity to manage a hierarchical destiny, demand of turnaround, creation of strategies and requirements for a change in community culture.

Teece (2000) reasoned that overseeing a dream can profit an organization in five ways: provides basis for strategic change, a vision that promotes change, motivates the individuals, enhances a wide range of performance measure and also aids in decision making. Organizational learning puts more efforts on flexible structures in the organizational that give them identity to respond to business difficulties and challenges than their competitors (Sharifirad, 2011). Alavi (2010) discovers that vision of a leader convince their supporters to set quality objectives and increase their self-adequacy, which increase their performance. Scholars affirm that organizations which function as learning organizations perform well in terms of improved quality, effectiveness, gain knowledge and flow of communication, customer satisfaction, operational as well as financial performance (Huber, 2010). Therefore, in organizational learning there are organizational practices which make performance of the vision to be focused and attainable.

2.2.6 Organizational performance

Organizational performance refers to the level that an organization achieves the intended purpose (Bagire, 2012). Organizational performance shows actual results of an organization as measured against the set objectives. It assists employees understand and improve performance by adopting ways of increasing customer satisfaction, productivity and employee satisfaction. Performance therefore, is a process that involves executives, line managers and employees in an organizational structure that sets out how chain of command is positioned, hence ensuring teamwork to meet the set targets (Armstrong, 2006). Several studies have reported positive relationship between organizational learning and firm performance (Yeo, 2003).

An empirical research by Yeo (2003) sought to provide insight onto the relationship between organizational success and organizational learning. The findings suggested that organizational learning results in enhancing personal development for the employees, embraced innovation and creativity with an aim introducing new products and services. Dimovski and Skerlavaj (2005) found out that there was positivesignificance on the influence of organizational learning on financial performance and non-financial performance. The current study sought to determine the individual learning on performance of banking institutions hence it suggested that individuals learn to enhance their job processes which results in greater level of achievement of team goals and organizational goals. Findings showed that there was a strong significant on non-financial performance. To determine team learning on performance of banking institutions showed that teamwork gives employees a chance to share ideas.

Organizational systems dimension on performance showed that managers need to put structures and systems that enhance growth of employees. Knowledge sharing had a strong negative significant relationship on performance. The study also established the effect of knowledge management on performance in the banking institutions and had a strong positive relationship hence banks should address process on knowledge acquisition, application dissemination, and storage. The study concludes that development of organizational learning results in stakeholder’s satisfaction, increased innovation and creativity, improved employee performance and hence becoming a basis for competitive advantage.

2.3 Theoretical Framework

Learning theory describes how people learn. The main theories that guided this study are single loop and double loop, behavioral and cognitive learning theories.

2.3.1 Single and double loop learning theory

The concept of organizational learning is supported by the single and double loop theory which was developed by Chris Argyris and Donald Schon. The theories are in accordance with the theory of action. Single loop learning is more of the operative level in an organization while double loop is the tactical level. Single loop learning refers to the organizational learning process, this refers to organizations, groups or people who change their actions in regards to the comparison between expected and actual outcomes. Single-loop learning generally refers to the basic learning loop, and happens when organizations are evaluating their procedures to check their level of performance and also look for ways of improving them (Argrys and Schon, 1996). More often it involves doing things right through consultation hence it is less expensive and also other alternative approaches for the same objectives can be used. Greve (2003) highlights, that organizations source for ways to address organizational challenges and problems by referring to the solution of a previous similar problems and finding ways of applying to those problems. This approach also stresses the importance of involving other employees within the organization, provide solutions to problems that arise thus, they feel that they are part of decision making.

On the other hand, double loop learning refers to the organizational learning process in terms of the framework for operations such as the organizational policies, procedures for working, norms, individual goals and practices. Responsibility, self-awareness and honesty are the three basic skills for double loop learning. Double loop learning focuses on doing things better and exceeding the expectation of customers through monitoring process of errors and ensure that the organization adopt new strategies of improving their processes. This can be termed as an effective method of addressing problems since there is involvement of employees by inquiring whether outputs are well addressed towards achieving the desired goals (Argrys and Schon, 1999).

Organizational Learning gives emphasis on problematic search however, the organization explores in a wider environment for solutions as they concentrate on understanding the sources of error and non- performing. Argrys and Schon (2001) outlines that organizational learning, is a product of organizational inquiry. This theory means that whenever expected outcome and the actual outcome are not consistent, an individual or group will be engaged in an inquiry to understand and give solutions. It is through interaction with other members that an individual learn. Argrys and Schon (2001) emphasizes that this interaction defines organizational rules, regulations and procedures. This has taken a technical observation which assumes organizational learning as an effective procedure of information, in interpretation and responses to enquiries is given, organizational information both internal and external environment.

Blank (2000) gives the idea of setting up infrastructures for learning in the sections, departments as well as public sector agencies.

The learning measures put in place has influence on organizational performance hence, improving learning and knowledge of employees. However, this shows that organizations can become single loop learners because they make own decision whereas the double loop and triple loop-learning are influenced by leadership in power (Common, 2004). Organizational learning could help the employees adjust to the various responsibilities and make necessary changes to promote organizational performance. This theory therefore, was appropriate to this study as it was helpful in determining the effect of organizational learning dimensions such as individual and team learningon organizational performance of the banking sector.

2.3.2 Behavioral theory

The concept of organizational systems is supported by the behavioral theory (Kotter, 1995) which was later reviewed by (Gavetti et al., 2012). The theory focuses on how organizations work. Delavar (2000) argues that behavioral theory underline learning as everlasting preferred change in action, whether memory was affected or not. Huber, (2010) added that learning happens when information is processed and a selection of possible action is changed. These scholars observed learning as a way of changing people in behavioral attributes. The main aspect of this theory is managerial decision making and its prediction in regards to the organizational performance using the problemistic strategy. The theory gives more insight on how organizations learn from experience which implies that the acquired knowledge is placed in standard routine that in turn influences future performance.

This shows that the theory since the beginning focuses on the outcome of behavioral rules which has led to modeling tradition inorder to find out how various behavioral rules influences the performance and flexibility in adjusting to the dynamic business environment.

It is through information that assists people to analyze their performance in solving problems and making informed decision. Senge (2010), argues that learning is a about enhancing capacity thus helping people improve in their capabilities and change own attitude. Learning guides people to enhance skills and abilities in order to solve problems and make rational decision to improve their performance and quality service. Hence, there is a possibility that learning causes behavioral change and as well as cognitive change. Behavioural learning discusses the "background and organizational structures, changes in advance technology and leadership structures as the organization reacts on experiences and of other organizations (Kotter, 1995)".

Behavioural theory has some criticism that relates to the following: it views learning as something that happens to a person, with the person being passive. Every learner when engaged in learning is always active, both mentally and physically. It does not give explanation of all forms of learning, as it ignores the actions that are intellect. Learning processes is of great important in what goes on in an individual mind in understanding the Behavioural theory (Kotter, 1995). In addition, it does not explain some types of learning as appreciation of new language patterns by young people. This theory therefore, is suitable to the study because based on it the study sought to establish organizational systems as components of organizational learning has an effect on organizational performance in banking sector in Kenya.

2.3.3 Cognitive theory

The concept of knowledge sharing is supported by the cognitive theory and progressed by (Tolman, 1930). The theory agrees with the suggestion of behavioural theory in that small group of specialist stressed the significance of individual behaviour, understanding the theory and variables of learning. This theory attempts to study the process of learning and its viable variables. In achieving this objective, researchers studied learning cultures with the aim of leading to proposing diverse theories in learning. The cognitive theory is very much alive and significant. In organizational conduct the cognitive technique has been applied essentially to motivation hypotheses.

Cognitive background includes gaining skills, understanding and comprehension through absorption of data in the form of standards and ideas (Teece, 1998). Students can be viewed as capable data processing machines. Expectations, attributions and locus of control and objective setting are generally cognitive ideas and represent the intentionality of hierarchical conduct. A number of researchers are currently concerned with the connection or relationship between organizational and cognitive conduct. The cognitive hypothesis perceives the role of staffs in receiving, remembering, retrieving and interpreting the data. This theory helped in examining and guaranteeing employees to gain skills in what they learn.

Cognitive transformation in learning is vital in improving the organizational operations. The accomplishment of cognitive and behavioral transformation is vital to change and if there's no change in conducts it implies there's viable learning. Hansen (2004) indicated that with a specific end goal to expand the energy in behavior and intellectual changes, managers need to have an open minded in dealing with information.

Organizational learning exercises have relationship with learning results concerning behavioral and performance of a firm. A relationship exists between learning outcome and operations of an organization. This theory is important as it sought to establish the effect of knowledge sharing on performance in the banking institutions.

2.4 Conceptual Framework

The conceptual framework of this study was in accordance with the effect of organizational learning dimensions on performance of banking institutions. The dependent variable of the study was performance of banking institutions and it was related to the independent variables which were the individual learning, team learning, organizational systems and knowledge sharing. These variables were based on the single and double learning, behavioural and cognitive theories.The intervening variables: training facility and technology helps to explain better their relationship as being a determinant of the dependent variable.

The model shows the outcome of organizational learning as satisfaction of stakeholders, increased in innovation and creativity, performance of employees is improved and hence become a basis of competitive advantage.

Figure 2.1 shows independent and dependable variables of the study and how they relate to each other.

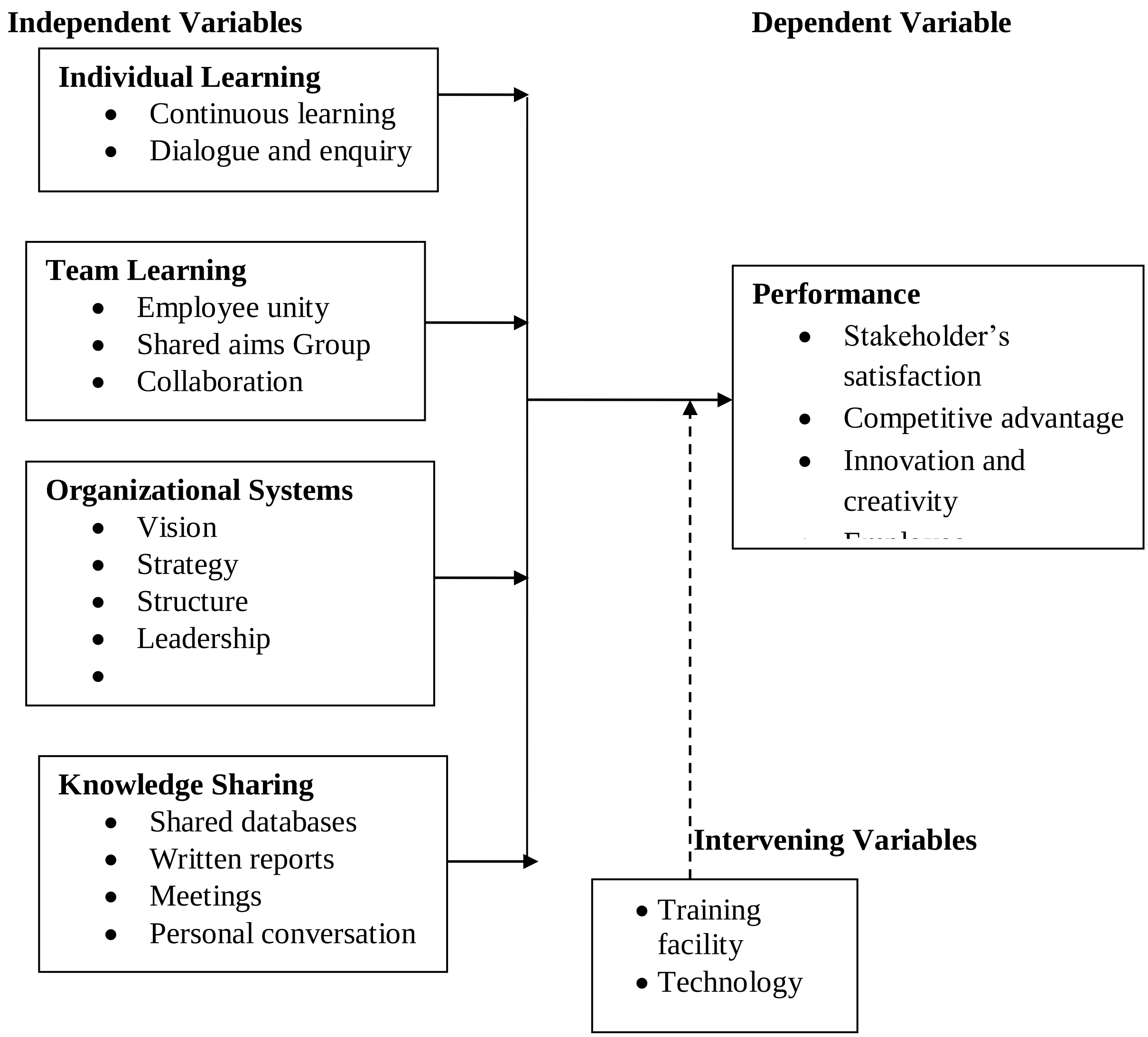

Figure 2.1: Conceptual Framework of the Effect of Organizational Learning Dimensions on Organizational Performance of Commercial Banks
Source: Researcher (2019)

2.5 Identification of Knowledge Gap

Banking sector in Kenya play a vital role in the development of country's economy. Banking industries have opened bank branches across the country which has brought services closer to customers' hence increasing competition among the banks. Existing literature reveals that organizational learning has a positive influence on firm's performance. Few studies have been undertaken on effect of organizational learning dimensions on performance of banking industry. Past studies also identify individual learning, team learning, organizational systems and knowledge sharing as possible influencers in the relationship.

According to the study by (Mengich, 2016) on the influence of organizational learning on organizational performance of commercial banks, the findings revealed that most of the Kenyan commercial banks had to a large extent adopted the practices of learning. The study assessed practices of learning organizations which are different from the dimensions of organizational learning that were assessed in this study. The study also employed census research method while this study used a survey method.

Omolo (2012), in his research of practice of the learning organization and its relationship to performance among the Kenyan commercial banks it establishes that most Kenyan commercial banks had to a large extent adoption on practices of learning organizations. The study assessed practices of learning organizations which are different from the dimensions of learning organizations that will be assessed in this study. The study also employed census research method while this study will use a survey method. Ayilo (2010), in her study on organizational learning and operational performance in banking industry in Kenya was only limited to operational performance of commercial banks.

This research study widened the scope to overall performance of commercial banks. The study also did not consider the organizational learning dimensions in the study hence some of the dimensions were covered in this study.

Existing literature reveals that organizational learning has a positive influence on firm's performance. Evidence linking organizational learning to firm performance is limited. Few studies have been undertaken on effect of organizational learning dimensions on performance. Few studies also identify individual learning, team learning, organizational systems and knowledge sharing as possible influencers in the relationship.

No attempt has been made by any researcher to look into the effects of organizational learning dimensions on performance of commercial banks with ideal focus in Nakuru and Kisii Counties. The study therefore, sought to address these gaps with the aim of making a contribution to this study on organizational learning dimensions on performance of banking institutions.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter highlights overall methodology that was used to carry out the study. It embodies the research design, location of study, target population, sample and sampling procedure, data collection instruments, data collection procedures, data analysis, presentation and ethical issues.

3.2 Research Design

Cross-sectional research design was adopted in this study because it is a survey method that measure units from a sample of the population at only one point in time. Cross-sectional was preferred since it assisted in data collection from different respondents at one point in a given time. The design was appropriate for collecting data from the sampled population with respect to several variables. The design was selected based on the methods used by similar studies that dealt with the organizational learning matters (Sanz-Valle, Naranjo-Valencia, Jimenez-Jimenez, & Perez-Caballero, 2011).

In addition, review of literature found that though some research used an empirical approach, they based their data largely on case studies leading to a call for quantitative testing by cross-sectional studies to further rectify and improve this proposed linkage on organizational learning dimensions and performance (Sahaya, 2012).Therefore, this study design was considered appropriate as a result of its capability to apply both the quantitative and qualitative techniques. This was also meant to answers to the research hypotheses.

Furthermore, the study design was the most effective in contributing significantly to the depth and specificity of the research; hence a strong evidence base was developed in support of the organizational learning indicators. The research paradigm is in accordance with the positivism approach which majors on the external social world and its properties are determined using objective techniques instead of subjectively being inferred using intuition. This implies that the study filled the gap using deductive observations, hypothesis and only sought to clarify propositions using empirical testing of the study variables.

3.3 Location of Study

The study was conducted in Nakuru and Kisii counties, Kenya. Nakuru Countycovers a total of 7498.8Km^2 and located between latitude 0.23^o North and 1.16^o South, and Longitude 35.41^o East and 36.6^o West, with a population of 2,162,202 as per the Kenya National Bureau of Statistics carried out in 2019 and the county headquarters being Nakuru Town. It is located in the Rift Valley region and it borders seven other counties. The county is cosmopolitan and one of the largest counties in the country after Nairobi, Kisumu and Mombasa. It has the highest number of formal sector activities which comprises of key activities such as agriculture which is the most domineering activity followed by trade industry, tourism, energy and mining. According to (KNHP, 2009) Nakuru County has 55.1% of its population in the labour force. It has the highest population due to well developed infrastructures, employment opportunities and security. Majority of the population are on self employment such as wholesale and retail business, informal micro enterprises, hawking and trading in food commodities which maintains the high circulation of money.

Nakuru County is the fourth largest County in Kenya with majority of the people who are on middle level of income hence the best choice since it provided sufficient data that would represent the entire country.

Kisii County covers a total of 1302Km^2 and located between latitude 00 30' and 100 South and Longitude 340 38' and 350 East, with a population of 1,266,860 as per the Kenya National Bureau of Statistics carried out in 2019 and the county headquarters being Kisii Town. It has the highest number of informal sector activities which results to high circulation of money. The informal activities include Jua kali industry, transport industry especially "BodaBoda", brick making, security services and small scale businesses. According to (KNHP, 2009) Kisii County has 51.6% of the population in the labour force. Majority of the youth are unemployed which has prompted them to form youth groups that link them to the banking institutions for credit facilities. It is known as the Western Kenya's largest open air market with extended catchment to Tanzania and it controls over 60% of the whole Nyanza's money economy.Kisii County is considered as an investment destination since it has more potential for development and ready market for its product given the highest population in the county. The county has a tremendous growth in the numerous banks that are operating in the area made it convenient to the researcher and this made Kisii County to be more appropriate for the study.

Both counties are agricultural based economies with largest population involved directly or indirectly. The high number of both formal and informal activities in Nakuru and Kisii counties has boosted the circulation of money which in turn influences the financial services required such as making deposits, withdrawal of cash or access to loans.

They are dominated by many commercial banks which is a clear indication that e-banking has not been embraced and also it has employed many staff who assists clients in carrying out transactions on daily basis. Majority of the staff are aware of electronic banking but they are not able to use the systems in place as witnessed from the purchase of goods and services using liquid money at point of sales. Poor marketing and failure by staff to understand e-banking has resulted to low uptake by external customers as witnessed from the long queues and congestion in the banking halls and also low income generated from virtual banking as noted in (Kisii County Commercial Banks 2014 annual report).

3.4 Target Population

Target population refers to the group of people to whom the results of a research should apply (Whitley and Kite, 2012).In Kenya, there are 43 registered banks offering financial services (CBK, 2016). Commercial banks are among financial institutions that are approved by the Central Bank of Kenya to offer financial services (CBK, 2016).The study targeted 17 commercial banks operating in Nakuru and Kisii Counties and the focus wason the staff working at the branches of the commercial banks. Target population was 776 employees of the commercial banks as per Table 3.1

Table 3.1

Distribution of Staff According to Banksin the Counties ofNakuru and Kisii

BANK	**Nakuru County**	**Kisii County**	**Total Population Size**
Equity Bank	82	37	119
Co-operative Bank	64	42	106
Kenya Commercial Bank	104	45	149
Barclays Bank of Kenya	50	23	73
Ecobank	45	15	60
Post Bank	38	18	56
Sidian Bank	25	7	32
National Bank	24	12	36
Standard Chartered	15	9	24
Diamond Trust	12	5	17
IBM Bank	8	-	8
Pan-Africa Bank of Kenya	15	-	15
Family Bank	13	7	20
Trans-National Bank	15	-	15
Credit Bank	10	9	19
NIC Bank	9	7	16
Bank of Baroda	11	-	11
Total	**540**	**236**	**776**

Source: Research Data.(2019)

3.5 Sample Size and Sampling Procedures

3.5.1 Sample size

A sample is a subset containing the characteristics of a larger population (Mugenda and Mugenda, 2003). Samples are used in statistical testing when population sizes are too large for the test to include all possible observations. Samples represent the whole population and not reveal bias toward a specific attribute.

The sample size of this study was determined using Krejcie and Morgan (1970) formula as shown below:

$$n= \frac{\left(\chi^2 Npq\right)}{\left(d^2\ (N-1) + \chi^2 pq\right)}$$

Where n = Desired sample size

N = Target Population

p= the population proportion of employees sampled in the banking sector. When there is no estimate 50% is used (take 0.5)

q = 1-p Population proportion (take 0.05) of employees not sampled in the banking sector

d = Tolerance at desired level of confidence, take 0.05 at 95% confidence level

χ^2 = the table chi square value for one degree of freedom relative to the desired level of confidence χ^2 = 3.841 at 95% confidence level)

When the target population of 776 was substituted in the formula the results was as shown below:-

$$n = \frac{(\chi^2 Npq)}{(d^2 (N-1) + \chi^2 pq)}$$

$$n = \frac{3.841*776*0.5*0.5}{0.05^2 (776-1) + 3.841 *0.5*0.5)}$$

$$= \frac{745.154}{0.0025(775) + 0.96025}$$

$$= \frac{745.154}{2.89775}$$

$$= 257.15$$

Sample size = 257

The study comprised of a sample size of 257 employees working in all the commercial banks branches within the two counties.

3.5.2 Sampling procedures

The banks in the two counties were used as cluster for sampling. The probability proportional to size (PPS) was utilized in getting the number of respondents as per their respective banks in accordance with the population of the respondents in each bank. The total number of respondents determined was N=776 and the sample size obtained was n= 257. Therefore a multiplier of K = n/ N = 257/776= 0.33 was used to find the number of respondents for each cluster as per their respective counties as presented in Table 3.2. For instance sample size of Equity Bank was calculated as 257/776*119 = 39 respondents and it applied to all the banks in the two counties.

Secondly, sample size per county per bank was calculated for instance in Equity Bank 257/776*82 = 27 respondents hence the same calculation applied to other banks in the two counties. A two stage sampling procedure was used to pick respondents. First, respondents were stratified according to their banks. Secondly, individual respondents from each bank were selected using simple random sampling procedure. The study selected a sample of 257 respondents distributed proportionately among the banks in the two counties.

Table 3.2

Distribution of Sample size per bank per county

BANK	Nakuru County Sample Size	Kisii County Sample Size	Total Sample Size
Equity Bank	27	12	39
Co-operative Bank	21	14	35
Kenya Commercial Bank	34	15	49
Barclays Bank of Kenya	16	8	24
Ecobank	15	5	20
Post Bank	12	6	18
Sidian Bank	9	2	11
National Bank	8	4	12
Standard Chartered	5	3	8
Diamond Trust	4	2	6
IBM Bank	3	0	3
Pan-Africa Bank of Kenya	5	0	5
Family Bank	5	2	7
Trans-National Bank	5	0	5
Credit Bank	3	3	6
NIC Bank	3	2	5
Bank of Baroda	4	0	4
Total	**179**	**78**	**257**

Source: Research Data.(2019)

3.6 Data Collection Instruments

A questionnaire was used to collect data in this study. The tool had 7 sections with closed ended questions and the responses were rated usinglikert scale in which the respondents were required to tick. This instrument was considered suitable since it accord the respondent ample time to think before responding (Kothari, 2004). It wasalso found to be appropriate as it gave respondents the ability to answer questions with ease. In addition, the respondents were not required to indicate their names while filling the questionnaires hence confidentiality wasmaintained (MugendaandMugenda, 1999). Theresearcher tabulated and analyzed data with ease as items of statements werewell structured.

3.6.1 Validity of the instruments

Validity is the level to which data collection instrument measures what is deemed to evaluate. Mugenda and Mugenda, (1999)defined validity as the ability of a measuring tool to measure what is intended to be measured and it was noted further that content validity is a judgmental action where specialists or experts verify whether the items describe the idea which is being studied or not. Validity of a questionnaire relates to the ability of the instrument to measure the construct statements as intended (Manaf, 2012).

Validity is made up of three groups which include: convergent, discriminant and content. Convergent validity refers to the presence of high degree of relation between two or more different measures of the same construct. Discriminant validity refers to the measure of various constructs that do not overlap. Content validity refers to the extent of relevance of all the elements in a given measurement or scale.

Content validity was employed by ensuring the items in the questionnaire were fully covered comprehensive. To ensure validity attainment, the researcher made sure questions covered all the variables under study. This was attained by subjecting the questionnaire to the experts on performance on banking institutions and subject matter expertswho had wider experience.

This maintained clarity, simplicity and it also ascertained whether the content of the questionnaire was up to the required standard before administering to the respondents (Awino, 2007).

3.6.2 Reliability of the instruments

Reliability of instruments concerns the degree to which a particular instrument gives similar results over a number of repeated trials (Mugenda and Mugenda, 2003). The researcher conducted a pilot test in commercial banks in Kericho Town to check and improve reliability of research instrument. For this study 30 questionnaires were distributed to employees working in branches of the same banks who took part and did not form part of the final study. The researcher pre-tested the questionnaire to the pilot sample. Pre-testing was done in order to ensure the reliability of the research instrument before actual study. After the piloting of the instrument any errors that were identified were corrected accordingly.

The Cronbach alpha was used to compute the internal consistency of data. Cronbach alpha gives a coefficient of inter item correlations which is the correlation of individual item with the sum of the rest of the items. If the coefficients are high then the more likely the instrument is reliable. Therefore, Cronbach alpha was used to determine if each objective would give consistent findings as it would be used further for the study (Kinyua and Ali, 2016). Hence, a value of greater or equal to 0.7 implies that the reliability is sufficient (Drost, 2011).

Source: Research Data. (2019)

Table 3.3

Reliability statistics

Dimensions	**N of items**	**Cronbach's Alpha**	**Accept/Reject**
Individual Learning	7	0.709	Accept
Team Learning	8	0.886	Accept
Organizational Systems	8	0.715	Accept
Knowledge Sharing	8	0.821	Accept
Overall	38	0.783	Accept

The study had four organizational learning dimensions which included: individual learning, team learning, organizational systems and knowledge sharing as shown in Table 3.3. The study findings for the research instrument produced an overall Cronbach coefficient value of 0.783. The findings further indicated that individual learning had a coefficient value of 0.709, team learning had 0.886, organizational systems had 0.715 and knowledge sharing had 0.821. Since all the dimensions met the required threshold of greater or equal to 0.7, then the research instrument was considered reliable.

This reliability test used led to improvement in precision and accuracy of the research instrument hence the overall value of 0.773 was deemed fit for data collection.

3.7 Data Collection Procedures

A research permit was sought from National Commission for Science Technology and Innovation (NACOSTI) through an introductory letter from the Board of Graduate Studies, University of Kabianga. After that the researcher visited the County Commissioners of Nakuru and Kisii Counties to explain the purpose of the research. The researcher then proceeded to make appointments with the employees of the banks with the help of the relevant bank managers.

Questionnaire was used to collect primary data as it reached many respondents at a given point in time. Respondents of this study were free to give relevant information as the researcher assured them of their anonymity (Mugenda and Mugenda, 2003). The researcher was assisted by three research assistants that administered the questionnaires to selected respondents and requested them to fill within a period of two weeks.

3.8 Data Analysis and Presentation

Data collected from sampled respondents was analyzed and interpreted to give meaning and eventually used to draw conclusions. Data collected from the questionnaires was first edited or cleaned for omission, missing values and coded by giving all statements numeric codes for ease of data capturing. The data collected was then analyzed using two stages that include: descriptive and inferential statistics. Marshall andRossman (1999) added that data analysis is the procedure of arranging data and themes of the collected data.

The tool administered was checked thoroughly and verified to ensure there were no missing responses or errors then it was coded using statistical package for social science (SPSS) package version 22.0. SPSS was preferred because of its effectiveness and it covered a wider range of general statistical and graphical data analysis.

3.8.1 Descriptive analysis

The first analysis employed was descriptive analysis where raw data was used to describe the nature of the responses (Zikmund, 2000). This covered measures of central tendency such as mean, median, mode and standard deviation (Malhotra, 2010). Secondly, this study also performed inferential analysis to facilitate description and explanation of the study findings and that the findings were presented using tablesand graphs.

3.8.2 Correlation coefficient analysis

Correlation is a technique for investigating the relationship between two quantitative variables. Pearson's correlation coefficient (r) is a measure of the strength of relationship between the two variables. The researcher used the Pearson Correlation Coefficient to analyze data in order to determine the relationship between the organizational learning dimensions and performance of banking institutions. The Pearson correlation coefficient was used to reveal the degree and direction of the relationship by showing whether it is positive or negatively correlated hence providing better estimates of the correlation effects.

3.8.3 Model of analysis

Regression analysis was used in testing all the four hypotheses. The analysis comprised the use of simple and multiple regression models. Simple regression refers to establishing the relationship between the dependent variable and one independent variable. Ho_1, Ho_2, Ho_3 and Ho_4 were investigated using simple regression analysis.

Multiple regression analysis was used to find out the relationship between the dependent variable and all the independent variables. These showed how individual learning, team learning, organizational systems and knowledge sharing affect performance of banking institutions in Kenya. Multiple regression modelhelps researchers decide to eliminate or retain variables whose effect on the response is insignificant and in this way, construct a most appropriate model (Saunders, Lewis andThornhill, 2015).

The following equation was used to show the relationship:-

$$Y= \alpha +\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\varepsilon \qquad (3.1)$$

Where Y= Organizational performance

α = Constant

$\beta_1 - \beta_4$ = Regression coefficients

X_1= Individual learning

X_2= Team learning

X_3= Organizational systems

X_4= Knowledge sharing

ε=Error term

3.8.4 Diagnostic Checks

3.8.4.1 Test of normality

Normality is one of the most important aspects for statistical analysis. The application of the statistical techniques greatly depends on these assumptions and technicality. If they are not met then it could render the rest of the analysis invalid. Verified data gives confidence and reliable statistics which leads to accurate findings and interpretation.

To examine the presence of normality, the researcher adopted the Kolmogorov-Smirnov test with a normal probability plot to further support the findings, auto correlation and skewness and kurtosis test results.

3.8.4.2 Kolmogorov-Smirnov test

Kolmogorov-Smirnov test is used to investigate if a sample comes from a population with a particular continuous distribution (Baghban, 2013). The null hypothesis states that the data follows a particular distribution and alternative hypothesis states that the data does not follow a particular distribution. The findings depicted in the Table 3.4 shows that the set of independent variables did not deviate significantly from the normal distribution since the null hypothesis has been rejected. Hence, it is in order to use statistical techniques and procedures that assume normality of data. This test of normality was further carried out using the normal probability plot (P-P plot) to ascertain the findings. Which implies that for the assumption to be met then the dots on the plot should lie closer to the diagonal line and this will imply that the residuals are closer to normal distribution. In this case, Figure 3.1 shows that the data points are adjoined the line hence the assumption on normality has been met.

Table 3.4

Kolmogorov-Smirnov test

	Kolmogorov-Smirnov			Shapiro-Wilk		
Variable	**Statistic**	**df**	**Sig.**	**Statistic**	**df**	**Sig.**
Individual Learning	.283	218	0.000	0.741	218	0.000
Team Learning	.326	218	0.000	0.798	218	0.000
Organizational Systems	.292	218	0.000	0.766	218	0.000
Knowledge Sharing	.378	218	0.000	0.773	218	0.000

Source: Research Data. (2019)

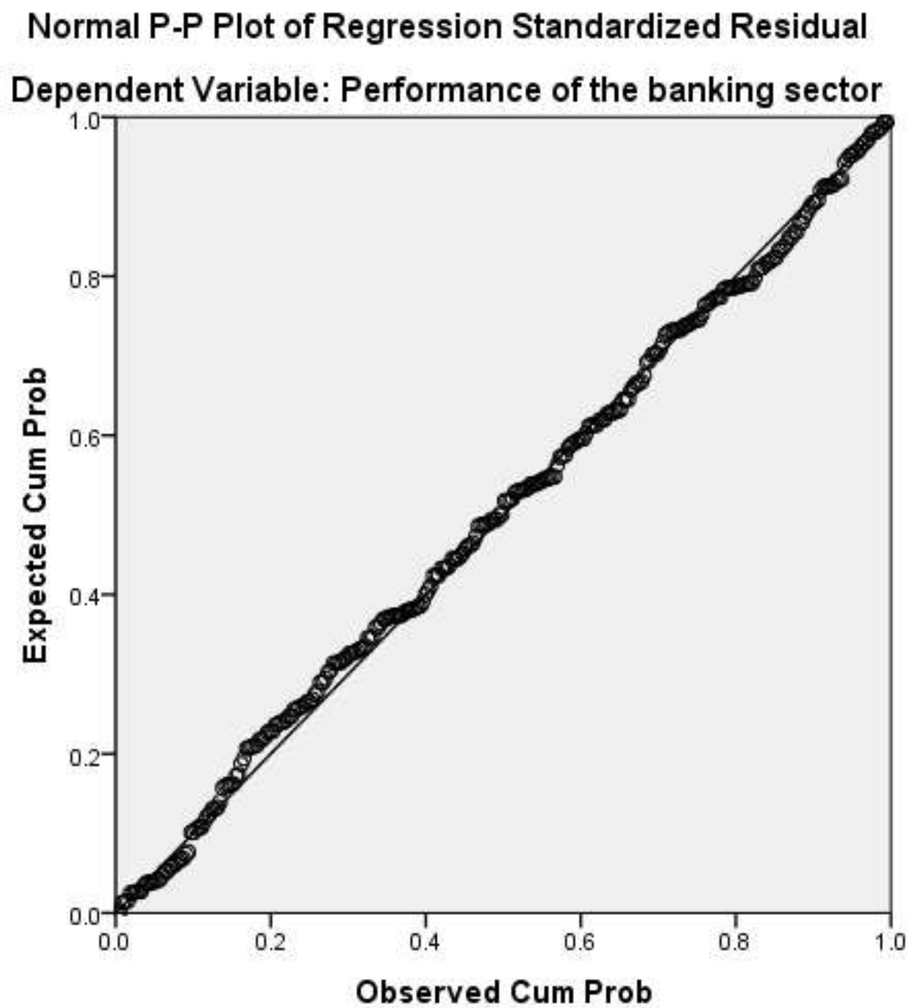

Figure 3.1: Normality test

Source: Research Data. (2019)

3.8.4.3 Skewness and Kurtosis test

Skewness is a measure of the degree of asymmetry of a given distribution around its mean. If the Skewness is positive then it depicts that a distribution with an asymmetric tail that tends to extend towards more positive values.

On the other hand, negative Skewness depicts a distribution with an asymmetric tail that tends to extend towards more negative values. Kurtosis is a measure of the degree that a distribution is more or less peaked than a normal distribution.

Positive Kurtosis depicts a peaked distribution while a negative Kurtosis depicts a flat distribution. Skewness and Kurtosis were used to investigate if symmetric and peakness of the distribution (Mbui, Namusonge and Mugambi, 2016). For skewness and kurtosis test, the errors term should have the same variance. In study it can be viewed that all individual dimensions and contracts has the similar standard error scores for skewness a value of 0.165 and kurtosis test value of 0.328.If the values of Skewness and Kurtosis lie within the range of -2 and +2 then they are considered acceptable in order to prove the existence of normal distribution as stated by (George and Mallery, 2010). Therefore the results shown in Table 3.5 indicate that the values of Skewness and Kurtosis are between -2 and +2. This is considered acceptable because the values are within the expected range hence no significant Skewness and Kurtosis problem.

Table 3.5

Skewness and Kurtosis test

		Skewness		**Kurtosis**	
Dimensions of OL	**N**	**Statistic**	**Std. Error**	**Statistic**	**Std. Error**
Individual Learning	218	-1.425	0.165	1.280	0.328
Team Learning	218	-0.578	0.165	-0.356	0.328
Organizational Learning	218	-0.950	0.165	-0.449	0.328
Knowledge Sharing	218	-0.691	0.165	-0.768	0.328

Source: Research Data. (2019)

3.8.4.4 Auto correlation test

Durbin-Watson statistics is a test for autocorrelation which is based on the assumption that the residuals are independent or uncorrelated. Ithai (2013) argued that the value of Durbin-Watson should lie within an approximation of close to two or more to show lackof autocorrelation. Karibe, Namusonge, and Iravo(2016) stated that the value of Durbin-Watson statistic relies on the number of predictors and number of observations just like the conservative rule of thumb which implies the values of less than one or greater than three are a cause for concern and may render the analysis invalid. Ithai (2013) suggested that the value of Durbin Watson test should range between 1.50 and 2.50.

Therefore, Durbin-Watson value of this study was 2.400 hence it is within the acceptable range. This shows that the different cross-sectional observations have generated disturbances that are independent of each other hence data lacks autocorrelations. This test concludes that data is independent.

Table 3.6

Auto correlation test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	0.857[a]	0.734	0.729	0.16617	0.734	147.143	4	213	0.000	2.400

Source: Research Data. (2019)

3.8.4.5 Multicollinearity test

Multicollinearity test is used to investigate whether there is similarity between the independent variables in a model. If this test is not performed then the similarities between independent variables might be strong. Also it might lead to high standard errors of estimates hence leading to wrong findings. To investigate the assumption of multicollinearity, the indicators of variance inflation factors (VIF) and tolerance levels were utilized. Ayako and Wamalwa (2015) argued that VIF implies the extent to which inflation in the standard errors are related with a specific beta weight that is because of the multicollinearity. If the VIF values lie within a range of 1 – 10, then it implies that multicollinearity does not exist but if the VIF is less than one or greater than ten then multicollinearity exist.

Therefore from the findings, the VIF values from the collinearity statistics depicted that the coefficient output from individual learning has a value of 3.828, team learning with a value of 1.271, organizational systems with a value of 4.690 and knowledge sharing with a value of 5.031. This implies that the variance inflation factor (VIF) values are within the range of 1 – 10 and it can be concluded that multicollinearity symptoms do not exist hence the independent variables can be measured in one equation.

Table 3.7

Multicollinearity test

	Collinearity Statistics	
Dimensions of OL	**Tolerance**	**VIF**
Individual Learning	0.261	3.828
Team Learning	0.787	1.271
Organizational Systems	0.213	4.690
Knowledge Sharing	0.199	5.031

Source: Research Data. (2019)

3.9 Ethical Considerations

The researcher maintained confidentiality; plagiarism, manipulation of respondents and manipulation of results. After acceptance of proposal by the School of Business and Economics and Graduate Studies, the researcher obtained an introductory letter to present to NACOSTI for processing of research permit. The researcher sought authority from management headquarters and branches of Commercial Banks involved in carrying out the research thereafter; the researcher ensured the respondents gave consent before administering the questionnaires and requested them to fill while assuring them of confidentiality and that the information provided would be for academic purpose only.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Introduction

This chapter covers the data analysis, presentation and interpretation of the results. It focused on the following dimensions: individual learning, team learning, organizational systems and knowledge sharing as the independent variables and performance as the dependent variable.The findingsof each objectives of the study were presented and discussed.

4.1.1. Response rate

A total of 257 respondents were given questionnaires and out of which 218 respondents successfully completed the questionnaires and returned to the researcher. This gave a response rate of 85%. The other respondents failed to complete the questionnaire citing lack of time, while others gave no reason for not completing them. The three research assistants made sure that every questionnaire that was sent out was filled correctly and collected. According to Mugenda and Mugenda (2003) a response rate of 50% and above is acceptable. Therefore, 85% response rate in this study was accepted.

Table 4.1

Questionnaire Response Rate

	Frequency	Percent	Valid Percent	Cumulative Percent
not responded	39	15.2	15.2	15.2
responded	218	84.8	84.8	100.0
Total	257	100.0	100.0	

Source: Research Data. (2019)

4.2 Presentation of Results

The descriptive statistics of the respondent were gathered in accordance with the gender, age, employee designation, cadre levels, working experience and education. The study comprised of 218 respondents in regard to the effect of organizational learning dimensions on performance in the banking sector.

Table 4.2

Demographic Data

Characteristics	Frequency	Percent (%)
Gender		
Male	97	44.5
Female	121	55.5
Age of the respondent		
< 24 years	43	19.7
25 – 35 years	130	59.6
36 - 45 years	45	20.6
Academic qualification of the respondent		
Diploma	30	13.8
Bachelor’s degree	144	66.1
Master’s degree	44	20.2
Employee designation		
Branch manager	9	4.1
Counter teller	61	28.0
Graduate clerk	50	22.9
Computer operator	28	12.8
Cashier	38	17.4
Customer care representative	32	14.7
Cadre levels		
Top management	25	11.5
Middle management	51	23.4
Junior management	142	65.1
Working experience		
< 3 years	23	10.6
4 – 6 years	96	44.0
7 – 10 years	92	42.2
11 – 14 years	4	1.8
15 – 18 years	2	.9
> 19 years	1	.5

Source: Research Data (2019)

The results presented in Table 4.2 indicated that a number of the respondents 121(55.5%) were female and 97 (44.5%) of the respondents were male. More than half of the respondents 130(59.6%) were aged between 25 – 35 years followed by 45(20.6%) who were below 24 years and those 43(19.7%) who were aged between 36 – 45 years. This implied that majority of the respondents were still young hence the level of performance and provision of services would be high. Employee designation had a fair distribution in terms of the responses whereby 61(28%) of the respondents were counter tellers followed by 50 (22.9%) who were graduate clerks, 38(17.4%) who were cashiers, 32(14.7%) who were customer care representatives, 28 (12.8%) who were computer operators and a few 9(4.1%) who were branch managers.

The study sought to establish the different management levels that respondents were in their respective banks. Majority of the respondents 142(65.1%) were in junior management followed by 51(23.4%) who were in middle management level and 25(11.5%) who were in top management. This implied that majority of the respondents were in the cadre level of junior management. In terms of the working experience, a number of the respondents 96(44.0%) had worked in their current organization for a period of 4 – 6 years followed by those 92(42.2%) who had worked for a duration of 7 – 10 years and a few 23(10.6%) who had worked for a period of less than 3 years. This meant that a number of the respondents have worked for a period of 4 years which was enough to gain the required experience, learn the organizational culture and bank operations.

The findings revealed that majority of the respondents 144(66.1%) were highly qualified with the level of bachelor's degree followed by those 44(20.2%) with a master's degree and a few 30(13.8%) who had attained diploma.

This meant that a number of the respondents had adequate knowledge and more informed concerning the study.

4.3 The Effect of Individual Learning on Organizational Performance.

The study sought to determine the effects of individual learning dimensions on performance of the banking institutions.

Table 4.3

Descriptive Statistics on the Effect of Individual Learning on Organizational Performance

	Strongly disagree		Disagree		Undecided		Agree		Strongly agree		Total
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Row Sum %
An employee have new ideas that improved performance due to their individual learning	14	6.4%	36	16.5%	22	10.1%	131	60.1%	15	6.9%	100.0%
An employee generated new ideas of new products and services using the new acquired skills	15	6.9%	21	9.6%	14	6.4%	168	77.1%	0	0.0%	100.0%
Managers encouraged employees to share ideas with others in the course of their work	0	0.0%	31	14.2%	14	6.4%	108	49.5%	65	29.8%	100.0%
Employees were honest and gave open feedback about their job performance and work related experiences	7	3.2%	28	12.8%	7	3.2%	161	73.9%	15	6.9%	100.0%
Employees engaged in dialogue related to their work because of trust they have	14	6.4%	21	9.6%	37	17.0%	146	67.0%	0	0.0%	100.0%
Employees were aware of the critical issues affecting their work because they regularly acquired information through their personal learning	15	6.9%	21	9.6%	22	10.1%	160	73.4%	0	0.0%	100.0%
Employees demonstrated high level of competency due to having job related training	15	6.9%	35	16.1%	8	3.7%	160	73.4%	0	0.0%	100.0%

Source: Research Data. (2019)

Table 4.3 presented the results which indicated that majority of the respondents 131(60.1%) agreed that individuals had new ideas that improve performance followed by 36(16.5%) who disagreed then 22(10.1%) who were undecided, 15(6.9%) and 14(6.4%) who strongly agreed and strongly disagreed respectively. This was supported further by (Senge, 2001) who stated that ideas from individual enable the organization to move forward. Majority of the respondents 168(77.1%) agreed that employees generated new ideas of new products and services followed by 21(9.6%) who disagreed then 15(6.9%) who strongly agreed and 14(6.4%) who were undecided. Less than a half of the respondents 108(49.5%) agreed that theirorganization encouraged individuals to share ideas with others followed by 65(29.8%) who strongly agreed then 31(14.2%) who disagreed and 14(6.4%) who were undecided. This agreed with (Blank, 2000) views argued that continuous learning requires sharing of new knowledge and information with others.

Majority of the respondents 161(73.9%) highly rated the fact that employees were honest and gave open feedback to each other followed by 28(12.8%) who disagreed then 15(6.9%) who strongly agreed and a tie of 7(3.2%) who strongly disagreed and undecided. This meant that employees embraced unity that brought trust and honesty in a working environment (Alavi, 2010). The findings indicated that 146(67.0%) of the respondents agreed that employees engaged in dialogue because of trust they had in each other followed by 37(17.0%) who were undecided then 21(9.6%) who disagreed and 14(6.4%) who strongly disagreed. This agreed with the view of (Akintayo, 2010) who said that the spirit of dialogue needs to be developed through trust and understanding of underlying beliefs. There were 160 (73.4%) respondents who completely agreed that individuals were aware of the critical issues affecting their work followed by 22(10.1%) who were undecided then 21(9.6%) disagreed and 15(6.9%) who strongly disagreed. Behjanna and Sharifi (2019) stated that there is a constant progression in the way people think and act as this is brought by understanding new skills and knowledge. Maurer (2010) stated that competency is an area of capability that enables a person or organization to perform tasks or fulfill responsibilities. This was further revealed by the findings that majority 160(73.4%) of the respondents agreed that individuals demonstrated high level of competency in their work followed by 35(16.1%) who disagreed then 15(6.9%) who strongly disagreed and 8(3.7%) who were undecided.

4.4 The Effect of Team Learning on Organizational Performance

Team learning among employees and unified bank information is vital in growth and expansion of banks in Kenya. The study findings sought to determine the effects of team learning dimensions on performance of the banking sector.

Table 4.4

Descriptive Statistics on the Effect of Team Learning on Organizational Performance

	Strongly disagree		Disagree		Undecided		Agree		Strongly agree		Total
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Row Sum %
Group work in this organization was valuable	50	22.9%	22	10.1%	0	0.0%	7	3.2%	139	63.8%	100.0%
Members of teams treated each other as equals	21	9.6%	15	6.9%	7	3.2%	15	6.9%	160	73.4%	100.0%
Teams are rewarded for their collective achievement	7	3.2%	36	16.5%	0	0.0%	161	73.9%	14	6.4%	100.0%
Members of team learn new skills and knowledge from each other	22	10.1%	7	3.2%	7	3.2%	72	33.0%	110	50.5%	100.0%
Groups adapted their goals in response to emerging needs	0	0.0%	14	6.4%	0	0.0%	125	57.3%	79	36.2%	100.0%
Groups brainstormed and discussed ways of doing things	14	6.4%	0	0.0%	36	16.5%	51	23.4%	117	53.7%	100.0%
Groups resolutions weren’t used to improve production and service delivery	0	0.0%	56	25.7%	37	17.0%	90	41.3%	35	16.1%	100.0%
Group work enhanced cohesion and shared goals	14	6.4%	29	13.3%	7	3.2%	111	54.1%	50	22.9%	100.0%

Source: Research Data, (2019)

Table 4.4 presented the results which revealed that majority of the respondents 139(63.8%) strongly agreed that group work in their organizations was valuable followed by 50 (22.9%) who strongly disagreed then 22(10.1%) who disagreed and 7(3.2%) who agreed. This was supported further by (Samantha, 2012) who stated that teams' empowers individuals to have common goal and also it allow areas of criticisms hence improves standards of organizational performance. This implied that employees working in groupsin the organizations achieved more.

Majority of the respondents 160 (73.4%) strongly agreed that members of teams treated each other as equals regardless of position held followed by 21(9.6%) who strongly disagreed then a close tie of 15(6.9%) for those who agreed and disagreed. More than a half of the respondents 161(73.9%) agreed that teams were rewarded for their collective achievement followed by 36(16.5%) who disagreed then 14(6.4%) who strongly agreed and 7(3.2%) who strongly disagreed. This agreed with (Kamau, 2012) findings that the rewards were the main focal point of the employees who were working in groups. Approximately close to half of the respondents 110 (50.5%) rated that they strongly agreed with the fact that members of teams learnt new skills and knowledge from each other followed by 72(33.0%) who agreed then 22(10.1%) who strongly disagreed and a tie of 7(3.2%) for those who strongly disagreed and were undecided. This meant that employees believe that learning with teams or groups' new skills and knowledge were learned from each other hence there was a continuous learning process as asserted by Maani and Benton (1999). The findings indicated that 125(57.3%) of the respondents agreed that groups adapted their goals in response to emerging needs followed by 79(36.2%) who strongly agreed and 14(6.4%) who disagreed.

There were 117(53.7%) of the respondents who strongly agreed that groups brainstorm and discuss ways of doing things followed by 51(23.4%) who agreed then 36(16.5%) were undecided and 14(6.4%) who strongly disagreed. Less than half of the respondents 90(41.3%) indicated that they agreed with the fact that groups resolutions are not used to improve production and service delivery followed by 56(25.7%) who disagreed then 37(17.0%) who were undecided and 35(16.1%) who strongly agreed.

Almost half of the respondents 111(54.1%) agreed that group work enhanced cohesion and shared goals followed by 50(22.9%) who strongly agreed then 29(13.3%) who disagreed then 14(6.4%) who strongly disagreed and 7(3.2%) who were undecided. Mulabe (2013) affirmed that team work was very important in a working set up in that it enhanced cohesion among employees.

4.5 The Effect of Organizational Systems on Organizational Performance

Respondents were asked to indicate the extent in which the concept of organizational systems has been adopted in the banking sector.

Table 4.5

Descriptive Statistics on the Effect of Organizational Systems on Organizational Performance

	Strongly disagree		Disagree		Undecided		Agree		Strongly agree		Total
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Row Sum %
Organization supported employees who took risks in line of duty	2	.9%	21	9.6%	63	28.9%	132	60.6%	0	0.0%	100.0%
Topics learnt on trainings were available to employees for reference	14	6.4%	43	19.7%	0	0.0%	140	64.2%	21	9.6%	100.0%
Institutional learning led to development of new programs	1	.5%	15	6.9%	2	.9%	200	91.7%	0	0.0%	100.0%
Institutional learning increased production efficiency	15	6.9%	28	12.8%	0	0.0%	175	80.3%	0	0.0%	100.0%
New leadership style was not embraced due to institutional learning	88	40.4%	109	50.0%	7	3.2%	7	3.2%	7	3.2%	100.0%
Institutional learning helped in improving capacity	7	3.2%	36	16.5%	0	0.0%	175	80.3%	0	0.0%	100.0%
Organizational structures resulted from learning	0	0.0%	29	13.3%	21	9.6%	168	77.1%	0	0.0%	100.0%
Experiences of other organizations were used to improve work programmes	9	4.1%	29	13.3%	29	13.3%	151	69.3%	0	0.0%	100.0%

Source: Research Data, (2019)

Table 4.5 indicated that majority of the respondents 132(60.6%) agreed that organization supported employees who took risks in line of duty followed by 63(28.9%) who were undecided then 21(9.6%) who disagreed and 2(0.9%) who strongly disagreed. This showedthat the banking sector supported staffs who took risk on behalf of the company as supported by Mwangi and Kwasira (2015) who added that organizations must have a shared vision to give employees opportunity to focus and have passion on learning. More than half of the respondents 140(64.2%) agreed that topics learnt in the organization were available to employees for reference followed by 43(19.7%) who disagreed then 21(9.6%) who strongly agreed and 14(6.4%) who strongly disagreed.

Majority of the respondents 200(91.7%) agreed that institutional learning led to development of new programs followed by 15(6.9%) who disagreed then 2(0.9%) who were undecided and 1(0.5%) who strongly disagreed. Majority of the respondents 175(80.3%) highly rated that they agreed with the fact that institutional learning increased production efficiency followed by 28(12.8%) who disagreed then 15(6.9%) who strongly disagreed. This agrees with Kamere-Mbote (2002) that institutions developed individual capacity by empowering them with new skills thus equipping with skills that make them efficient.

The findings indicated that 109(50.0%) of the respondents disagreed that they did not embraced new leadership style as a result of institutional learning followed by 88(40.4%) who strongly disagreed then 7(3.2%) who agreed, strongly agreed and undecided. 175(80.3%) of the respondents agreed that institutional learning helps us improve our capacity followed by 36(16.5%) who disagreed and 7(3.2%) who strongly disagree.

Majority of the respondents 168(77.1%) indicated that they agreed with the fact that organizational structures resulted from what they learnt followed by 29(13.3%) who disagreed and 21(9.6%) who were undecided. Sahaya (2012) added that management operated on structures, systems and procedure that brought order in an organization. More than half of the respondents 151(69.3%) agreed that experiences of other organizations were used to improve our work programmes followed by a tie of 29(13.3%) who disagreed and others remained undecided with 9(4.1%) who strongly disagreed. An organization that desired to foster creativity and innovation instill a working culture that encouraged learning that enabled employees improve on work programmes (Manaf, 2012).

4.6 The Effect of Knowledge Sharing on Organizational Performance

The study sought to establish the effects of knowledge sharing on performance in the banking institutions.

Table 4.6

Descriptive Statistics on the Effect of Knowledge Sharing on Organizational Performance

	Strongly disagree		Disagree		Undecided		Agree		Strongly agree		Total
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Row Sum %
Knowledge is shared among business partners	8	3.7%	43	19.7%	7	3.2%	138	63.3%	22	10.1%	100.0%
Supervisors share knowledge with subordinates	7	3.2%	36	16.5%	7	3.2%	153	70.2%	15	6.9%	100.0%
In meetings, we take everyone's viewpoint and understand	21	9.6%	14	6.4%	14	6.4%	58	26.6%	111	50.9%	100.0%
Knowledge is shared across units	21	9.6%	14	6.4%	14	6.4%	58	26.6%	111	50.9%	100.0%
We don't share documented specific knowledge related to current work operations	0	0.0%	8	3.7%	167	76.6%	43	19.7%	0	0.0%	100.0%
We share new ideas to redesign work processes online	0	0.0%	30	13.8%	21	9.6%	152	69.7%	15	6.9%	100.0%
We brainstorm suggestions for solving problems	14	6.4%	21	9.6%	7	3.2%	147	67.4%	29	13.3%	100.0%
New employees are assigned mentors to help them	14	6.4%	14	6.4%	15	6.9%	166	76.1%	9	4.1%	100.0%

Source: Research Data, (2019)

Table 4.6 presented the results which indicated that majority of the respondents 138(63.3%) agreed that organization knowledge was shared among business partners followed by 43(19.7%) who disagreed then 22(10.1%) strongly disagreed, 8(3.7%) strongly disagreed and 7(3.2%) were undecided. Majority of the respondents 153(70.2%) agreed that organization supervisors shared knowledge with subordinates followed by 36(16.5%) disagreed then 15(6.9%) strongly agreed and a tie of 7(3.2%) between those who were undecided and strongly agreed. Close to half of the respondents 111(50.9%) strongly agreed that in meetings, they took everyone's point of view and understood followed by 58(26.6%) who agreed then 21(9.6%) who strongly disagreed and a tie of 14(6.4%) for those who were undecided and disagreed.

Close to half of the respondents 111(50.9%) strongly agreed that organization knowledge was shared across units followed by 58(26.6%) agreed then 21(9.6%) strongly disagreed and a tie of 14(6.4%) between those who were undecided and disagreed. Majority of the respondents 167(76.6%) highly rated that they were undecided with the fact that they did not share documented specific knowledge related to current work operations followed by 43(19.7%) who agreed and 8(3.7%) who disagreed.

The findings indicated that 152(69.7%) of the respondents agreed that they shared new ideas to redesign work processes online followed by 30(13.8%) who disagreed then 21(9.6%) who were undecided and 15(6.9%) who strongly agreed. A total of 147(67.4%) respondents completely agreed that they brainstormed suggestions for solving problems in order to improve current organizational policies followed by 29(13.3%) who strongly agreed then 21(9.6%) disagreed then 14(6.4%) who strongly disagreed and 7(3.2%) who were undecided.

A high number of the respondents 166(76.1%) agreed that new employees were assigned mentors to help them on personal work followed by 15(6.9%) who were undecided, a tie of 14(6.4%) between those who disagreed and strongly disagreed and 9(4.1%) who strongly agreed.

4.7Organizational Learning and Performance in the Banking Institutions

The study sought to determine the effect of organizational learning on the performance of the banking institutions.

Table 4.7

Descriptive Statistics on Organizational Performance

	Strongly disagree		Disagree		Undecided		Agree		Strongly agree		Total
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Row Sum %
Organization met its performance targets	14	6.4%	22	10.1%	28	12.8%	123	56.4%	31	14.2%	100.0%
Bank understood and met both internal and external customer needs	15	6.9%	43	19.7%	38	17.4%	107	49.1%	15	6.9%	100.0%
Individuals fulfilled their work	7	3.2%	7	3.2%	117	53.7%	87	39.9%	0	0.0%	100.0%
Individuals were generally satisfied with their performance	36	16.5%	36	16.5%	0	0.0%	146	67.0%	0	0.0%	100.0%
Shareholders got good return the banks	7	3.2%	21	9.6%	94	43.1%	96	44.0%	0	0.0%	100.0%
Staff were satisfied working here	7	3.2%	58	26.6%	0	0.0%	153	70.2%	0	0.0%	100.0%
Organizational learning helped improve employee satisfaction	15	6.9%	57	26.1%	14	6.4%	132	60.6%	0	0.0%	100.0%

Source: Research Data, (2019)

Table 4.7 presented the results which indicated that more than half of the respondents 123(56.4%) agreed that organization met its performance targets followed by 31(14.2%) who strongly agreed then 28(12.8%) who were undecided, 22(10.1%) who disagreed and 14(6.4%) who strongly disagreed. Less than half of the respondents 107(49.1%) agreed that the bank understood and met both internal and external customer needs followed by 43(19.7%) who disagreed then 38(17.4%) who were undecided, and a tie of 15(6.9%) for those who strongly agreed and strongly disagreed. More than a half of the respondents 117(53.7%) were undecided on how individuals fulfilled their work followed by 87(39.9%) who agreed and a tie of 7(3.2%) who strongly disagreed and disagreed.

Sharifirad (2011) stated that organizations that were learning performed well in terms of improved quality, effective, gain knowledge and customer satisfaction. This was revealed further with the findings that majority of the respondents 146(67.0%) agreed that individuals were generally satisfied with their performance followed by a tie of 36(16.5%) who strongly disagreed and disagreed. Liao and Wu (2009) indicated that organizations that performed well earned more profits. This was supported further with the findings that close to half of the respondents 96(44%) agreed that shareholders got good return from their banks followed by 94(43.1%) who were undecided then 21(9.6%) who disagreed and 7(3.2%) who strongly disagreed.

Majority of the respondents 153(70.2%) highly rated that they agreed with the fact that staff were satisfied working in their respective banks followed by 58(26.6%) who disagreed and 7(3.2%) who strongly disagreed. 132(60.6%) of the respondents completely agreed that organizational learning helped to improve employee satisfaction followed by 57(26.1%) who disagreed then 15(6.9%) who strongly disagreed and 14(6.4%) who were undecided. This agreed with (Cascio, 2014) who stated that organizational learning helped in improving client's satisfaction and excellent service delivery.

4.8 Mean and Standard Deviation on effects of Organizational Learning Dimensions on Organizational Performance of the Banking Institutions

The table shows description statistics on organizational learning dimensions on performance in the banking institutions as per the variables. In this table 4.8, individual learning had the highest mean of 4.12 while team learning had the least mean of 3.48.

Table 4.8

Mean and Standard Deviation of Organizational Learning dimensions and performance

	Abbreviation	Mean	Std. Deviation	N
Performance	Y	1.8853	0.31937	218
Individual learning	X_1	4.1193	1.12143	218
Team learning	X_2	3.4817	0.74496	218
Organizational systems	X_3	3.9174	1.25267	218
Knowledge sharing	X_4	3.4862	1.12463	218

Source: Research Data (2019)

From the results in Table 4.8 it is evident that respondents agreed that individual learning influence performance by a mean value of 4.12 which is going towards maximum value of 5 (strongly agreed). However, the standard deviation of 1.121 suggests variations in responses by the various respondents.

This was consistent with the study by (Maurer and Weiss, 2010) who said that continuous individual learning is important since it leads to development of new skills and professionalism which is vital to organizational success. The finding showed that respondents were in total agreement that team learning influence performance by a mean value of 3.48 which is going towards maximum value of 5 (strongly agreed). This collates with the study by (Zaied, Hussein and Hassan, 2012) who indicated that team learning enhanced change, encouraged creativity and innovation which in turn boosted effectiveness in decision making hence attainment of better performance in the institutions.However the standard deviation of 0.745 suggests variations in responses by the various respondents. It is evident also from the findings that respondents agreed that organizational systems dimension influence performance by a mean value of 3.92 though the standard deviation of 1.252suggests variations in responses by the various respondents. This was pointed out by (Sahaya, 2012) who indicated that organizational systems entailed the acceptance of new patterns and ideas that led to transformation of organizational performance. Lastly, it is evident that respondents agreed that knowledge sharing affect performance by a mean value of 3.49 though the standard deviation of 1.124 suggests variations in responses by the various respondents. The findings were in order with (Chen and Yang, 2004) who claimed that knowledge sharing enhanced the firm's ability in integration and reconfiguring knowledge resources which greatly boosts organizational performance.

4.9 Correlation Analysis

Table 4.9

Correlation Analysis

		Performance	Individual learning	Team learning	Organizational systems	Knowledge sharing
Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	218				
Individual learning	Pearson Correlation	.823**	1			
	Sig. (2-tailed)	.000				
	N	218	218			
Team learning	Pearson Correlation	.504**	.383**	1		
	Sig. (2-tailed)	.000	.000			
	N	218	218	218		
Organizational systems	Pearson Correlation	.656**	.794**	.191**	1	
	Sig. (2-tailed)	.000	.000	.005		
	N	218	218	218	218	
Knowledge sharing	Pearson Correlation	.592**	.802**	.154*	.873**	1
	Sig. (2-tailed)	.000	.000	.023	.000	
	N	218	218	218	218	218

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).
Source: Research Data. (2019)

Table 4.9 shows the relationship between organizational learning dimensions as measured by individual learning, team learning, organizational systemsand knowledge sharing. The results showed that all the dimensions had a positive relationship on the performance in the banking sector.The findings showed the relationship between individual learning and performance is r=0.823 (p<0.01), correlation between team learning and performance is r=0.504 (p<0.01), correlation between organizational systems and performance is r=0.656 (p<0.01) and lastly correlation betweenknowledge sharing and performance is r=0.592(p<0.01).These ratios are significant at the level of 1%.This means that the presence of all organizational learning dimensions leads to increased performance. Therefore, organizations that practice organizational learning are said to be better performing as compared to those who do not practice.

These results agreed with the study by (Lopez, 2005) who stated that organizational learning dimensions are a vibrant process intended for improvement of human resource which results to better organizational performance.

4.10 Regression Analysis

Regression analysis is a statistical tool used the investigaterelationships between variables. Multiple regression analysis was conducted in this study to establish the effect of organizational learning dimensions onorganizational performance of the banking institutions in Nakuru and Kisii counties. The findings of regression were important in solving the four study hypotheses. The findings are presented in this section:-

4.10.1 Effect of individual learning on organizational performance

The first objective of the study was to determine the effect of individual learning on organizational performance of the banking institutions in Nakuru and Kisii Counties. Ho_1: Individual learning has no significant effect on performance in the banking institutions in Nakuru and Kisii counties.Individual learning was measured in terms of continuous learning, inquiry and dialogue, level of competency, identifying skills brainstorming of ideas and viewing problems as an opportunity to learn. Regression analysis was done to determine the relationship between individual learning and performance.

Table 4.10

Model Summary on Effect of Individual Learning on Organizational Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.823[a]	0.678	0.676	0.18172

a. Predictors: (Constant), individual learning

Source: Research Data (2019)

Table 4.10 shows the effect of individual learning on performance in the banking sector. Theregressionresults showed that R value was 0.823 indicating that there was a strong positive relationship between individual learning and performance.

The coefficient of determination (R^2) value of 0.678 shows 68% of performance is explained by individual learning, the remaining 32% is explained by other dimensions in enhancing performance of the banking sector in Kenya which implied that the model was a good fit.

Table 4.11

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.001	1	15.001	454.282	0.000[b]
	Residual	7.132	216	0.033		
	Total	22.133	217			

a. Dependent Variable: performance factors y

b. Predictors: (Constant), individual learning

Source: Research Data (2019)

Table 4.11 showed the model was significant with the F ratio of 454.282 at $p<0.05$ hence the Ho (null hypothesis) was rejectedsince there was an indication that individual learning dimension had a positive and significant effect on performance in the banking institutions.

Table 4.12

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.920	0.047		19.584	0.000
	individual learning factors	0.234	0.011	0.823	21.314	0.000

a. Dependent Variable: performance factors y

Source: Research Data (2019)

Table 4.12 the beta value of 0.920 show the degree to which it affects the outcome when all other dimensions are held constant. The results further revealed that when individual learning is introduced the performance in the banking institutionsincreases by 23.4% and significant at $p<0.05$ which implied that the null hypothesis one was rejected and the alternative hypothesis accepted which stated that individual learning has a significant effect on performance of commercial banks in Nakuru and Kisii counties.The results concurred with the study by (Al-adaileh, Dahou and Hacini, 2012) who argued that the effectiveness of employees led to successful organizations as it depended on the abilities, skills and knowledge possessed and acquired by its employees. This will assist the managers or management to formulate strategies which incorporates the utilization of information technology in their operations. This implied that such organizations are competitive in nature which in turn enhanced growth and development hence high organizational performance (Bharadwaj, 2013).

4.10.2 Effect of team learning on performance

The second objective of the study was to determine the effect of team learning on the organizational performance of the banking institutions in Nakuru and Kisii Counties.Ho_2: Team learning has no significant effect on organizational performance in banking institutions in Nakuru and Kisii counties Team learning was measured by the following items: groups being valued in the organization, rewarding collecting achievement, teams treating each other equally, groups learning new skills and knowledge, adapting their goals, brainstorming and discussion of issues, resolutions and enhancing cohesion and share goals. Regression analysis was done to determine the relationship between team learning and performance.

Table 4.13

Model Summary of effect of Team Learning on Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.504[a]	0.254	0.251	0.27640	0.254	73.710	1	216	0.000

a. Predictors: (Constant), team learning x2

b. Dependent Variable: performance factors y

Source: Research Data (2019)

Table 4.13 regression results show that R value was 0.504 indicating that there is a positive significant relationship between team learning and organizational performance.The coefficient of determination (R^2) value of 0.254 shows 25.4% of organizational performance is explained by team learning, the remaining 74.6% is explained by other dimensions enhancing organizational performance of the banking institutions in Kenya.

Table 4.14

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.631	1	5.631	73.710	0.000[b]
	Residual	16.502	216	0.076		
	Total	22.133	217			

a. Dependent Variable: performance y
b. Predictors: (Constant), team learning x2

Source: Research Data (2019)

Table 4.14 the model was significant with the F ratio of 73.710 at p<0.05 hence the Ho (null hypothesis) is rejectedand this implies thatteam learning dimension has a positive and significant effect on organizational performance.

Table 4.15

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.132	0.090		12.629	0.000
	Team learning	0.216	0.025	0.504	8.585	0.000

a. Dependent Variable: performance factors y

Source: Research Data (2019)

Table 4.15 the beta value of 1.132 shows the degree in which it affects the outcome when all other dimensions are held constant. When team learning is introduced there is an increase oforganizational performance of the banking sector by 21.6% at p<0.05 hence the null hypothesis is rejected and conclude that team learning has a significant effect on performance of commercial banks in Nakuru and Kisii counties. This was supported by (Zheng, Sharan and Wei, 2010) who indicated that team learning is a way of enhancing their individual efforts with the help of top management and employees.

This results to employee's motivation in carrying out their duties and responsibilities which in turn leads to better organizational performance.

4.10.3 Effect of organizational systems on performance

The third objective of the study was to establish the effect of organizational systems on the organizational performance of the banking institutions in Nakuru and Kisii Counties. Ho_3: Organizational systems have no significant effect on organizational performance of the Banking institutions in Nakuru and Kisii counties. Organizational systems was measured in terms of organizational support to employees, shared topics learnt, development of new programs, increased in production, leadership, organizational structure and experiences of other organizations used to improve bank programs. Regression analysis was done to establish the relationship between organizational learning and performance.

Table 4.16

Model Summary of Organizational systems on performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.656[a]	0.430	0.427	0.24165	0.430	163.031	1	216	0.000

a. Predictors: (Constant), organizational system factor x3

b. Dependent Variable: performance factors y

Source: Research Data (2019)

Table 4.16 regression results show that R value was 0.656 indicating that there is a positive relationship between organization systems and organizational performance. The coefficient of determination (R^2) value of 0.430 shows 43% of organizational performance is explained by organizational systems, the remaining 57% is explained by other dimensions enhancing organizational performance of the banking sector in Kenya.

Table 4.17

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.520	1	9.520	163.031	0.000[b]
	Residual	12.613	216	0.058		
	Total	22.133	217			

a. Dependent Variable: performance factors y

b. Predictors: (Constant), organizational system factor x3

Source: Research Data (2019)

Table 4.17 the model was significant with the F ratio of 163.031 at $p<0.05$ hence we reject the Ho (null hypothesis) and this implies that organizational systems dimension has a positive significant effect on organizational performance.

Table 4.18

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.230	0.054		22.848	0.000
	Organizational system x3	0.167	0.013	0.656	12.768	0.000

a. Dependent Variable: performance factors y

Source: Research Data (2019)

Table 4.18 the beta value of 1.230 show the degree to which organizational systems affects the outcome when all other dimensions are held constant.

The results indicate also thatwhen organizational systems are introduced in the banking institutions, the organizational performance increases by 16.7% at $p<0.05$ and this led to the null hypothesis being rejected which implies that organizational systems have no significant effect on performance of commercial banks in Nakuru and Kisii counties. This was supported by (Montes, Moreno and Morales, 2005) who stated that organizational systems has an effect on organizational performance, market survival, competition and achievement of better performance which results to change in business environments.

4.10.4 Effect of knowledge sharing on performance

The fourth objective of the study was to establish the effect of knowledge sharing on the performance in the banking sector in Nakuru and Kisii Counties.Ho_4: Knowledge sharing has no significant effect on organizational performance in banking institutions. Knowledge sharing was measured by shared knowledge, documented information, redesigning of work processes, brainstorming to solve problems, and assigning mentors to employees. Regression analysis was done to establish the relationship between knowledge sharing andorganizational performance.

Table 4.19

Model Summary of effects on Knowledge Sharing on Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.592[a]	0.351	0.348	0.25794	0.351	116.667	1	216	0.000

a. Predictors: (Constant), knowledge sharing factor X4

b. Dependent Variable: performance factors y

Source: Research Data (2019)

Table 4.19 regression results showed that R value was 0.592 indicating that there is a positive relationship between knowledge sharing and organizational performance. The coefficient of determination (R^2) value of 0.351 shows 35% of organizational performance is explained by knowledge sharing, the remaining 65% is explained by other dimensions enhancing organizational performance of the banking sector in Kenya.

Table 4.20

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.762	1	7.762	116.667	0.000[b]
	Residual	14.371	216	0.067		
	Total	22.133	217			

a. Dependent Variable: performance factors y

b. Predictors: (Constant), knowledge sharing dimension X4

Source: Research Data (2019)

Table 4.20 the model was significant with the F ratio of 116.667 at $p<0.05$ hence the Ho (null hypothesis) is rejected and conclude that knowledge sharing dimension has a positive and significant effect on organizational performance.

Table 4.21

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.299	0.057		22.782	0.000
	Knowledge sharing	0.168	0.016	0.592	10.801	0.000

a. Dependent Variable: performance factors y

Source: Research Data (2019)

Table 4.21 the beta value of 1.299 show the degree in which it affects the outcome when all other dimensions are held constant. The findings further showedthat when knowledge sharing is introduced, organizational performance increases by 16.8% at $p<0.05$ and the null hypothesis is rejected which means that knowledge sharing has a significant effect on performance of commercial banks in Nakuru and Kisii counties. This agreed with (Chen and Tsou, 2012) who pointed out that knowledge sharing enhanced the firm's ability in integration and reconfiguring knowledge resources which results to improved organizational performance.

4.11Organizational Learning Dimensions on Performance

Table 4.22 shows the summary of regression model. R= 0.868 is the multiple correlation coefficient of independent variable with the dependent variable after all the interrelationships were taken into account. The results revealed that the organizational learning dimensions have a strong positive association with performance of the commercial banks. These findings collate with the findings by (Siamantha, 2012) that showed that there was a positive relationship between organizational learning dimensions and organizational performance.

R^2= 0.734 ($p<0.01$) which is the coefficient of determination that shows the four independent variables (individual learning, team learning, organizational systems and knowledge sharing)in the model explains 73.4% of organizational performance of the banking institutions.It can be said that other organizational dimensions have 26.6% outside the model effect on organizational performance of the banking institutions. This implies that organizational learning dimensions havea high explanatory power on organizational performance.

Table 4.22

Summary of Regression Model on Organizational Learning Dimensions and Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.857[a]	0.734	0.729	0.16617	0.734	147.143	4	213	0.000

a. Predictors: (Constant), team learning dimension, organizational systems dimension, individual learning dimension, knowledge sharing dimension

b. Dependent Variable: performance

Source: Research Data (2019)

4.12 Analysis of Variance (ANOVA) on Organizational Learning Dimensions and Performance

Analysis of variance (ANOVA) shows the overall model significance. This implies that ANOVA determines if the model used is fit for analysis or not. Weeks &Namusonge, (2016) stated that if the F ratio is statistically significant then the model is fit. Therefore, the results indicated that the F value of 147.143tends to be high and the significant level at 0.000 which is $p<0.05$ hence the null hypothesis is rejected. This means that the findings are statistically significant hence the model is fit for analysis.

Table 4.23

Summary of Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	16.252	4	4.063	147.143	0.000[b]
1	Residual	5.881	213	0.028		
	Total	22.133	217			

a. Dependent Variable: performance

b. Predictors: (Constant), team learning, organizational systems individual learning, knowledge sharing

Source: Research Data (2019)

4.13 Regression Coefficients on Organizational Learning Dimensions and Organizational Performance

Table 4.24 gives the regression coefficients that were established after carrying out regression analysis using the multiple regression model by testing all the four hypotheses once which include the predictor variables on individual learning, team learning, organizational systems and knowledge sharing against the organizational performance.

Table 4.24

Summary of Regression Coefficients

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
	(Constant)	0.701	0.061		11.587	0.000
	Individual learning	0.217	0.020	0.764	11.049	0.000
1	Team learning	0.089	0.017	0.207	5.188	0.000
	Organizational Systems	0.059	0.020	0.230	3.005	0.003
	Knowledge sharing	-0.072	0.022	-0.252	-3.183	0.002

a. Dependent Variable: performance of the banking sector

Source: Research Data (2019)

Table 4.24 the multiple regression equation that was used in the study was: $Y=\alpha+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\varepsilon$

This was interpreted as: $Y=0.701+0.217X_1+0.089X_2+0.059X_3-0.072X_4$from the above values extracted from theunstandardized coefficients beta column. The study revealed that individual learning, team learning, organizational systems and knowledge sharingdimensions to a constant zero performance of banking institutions at 0.701.A unit increase in individual learning dimension would lead to increase in banking performance by a magnitude of 0.217. The study further revealed that the null hypothesis for individual learning is rejected since the p-value<0.05. This implies that there is statistically positive significant effect of individual learning on organizational performance in Nakuru and Kisii counties. This was further supported by (Grove, 2003) who added that individual learning comprised of change patterns, improved policies and procedures, friendly culture and working systems that influence organizational achievements of their goals. Moreover, (Behjama and Shariti, 2019) added that continuous learning for teams is like a collective individual learning.

This means that members learn and share new knowledge and skills from the team which assists in enhancing organizational performance.A unit increase in team learning would lead to increase in performance of banking institutions by a magnitude of 0.089. Team learning had a p-value<0.05 which indicated that the null hypothesis is rejected and the alternative hypothesis which states that there is statistically significant influence of team learning on organizational performance. This concurred with the study by (Yi, 2009) who stated that team learning is a method that enhances employee performance which in turn boosts the organizational performance.

A unit increase in organizational systems would lead to increase in performanceofbanking institutions by a magnitude of 0.059. The results further revealed that organizational systems had a p-value<0.05 which implied that the null hypothesis is rejected hence organizational systems had a statistically significant effect on organizational performance. This was consistent with (Hancott, 2014) who pointed out that visions are based on shared ideal vision of an organization with increased zeal which leads to better organizational performance. This implied that shared vision plays a crucial role in achieving organizational performance.

A unit increase in knowledge sharing would lead to decrease of organizational performance of the banking institutions by a magnitude of 0.072.Knowledge sharing had a p-value<0.05 which implied that the null hypothesis is rejected hence there is statistically negative significant effect of knowledge sharing on organizational performance.

This study disagreed with the study by (Senge, 2010) who argued that the purpose of knowledge sharing is to enhance organizational power in taking action to change innovation and realization of successful competition which in turn greatly boosts the organizational performance of the banking institutions. These findings depicted that individual learning is a leading dimension in organizational learning then team learning, organizational systems and knowledge sharing which shows a negative relationship with organizational performance ofthe banking institutions in Nakuru and Kisii counties.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter provides the summary of the study findings, the conclusions and recommendations.

5.2 Summary

The main objective of this study was to determine the effect of organizational learning dimensions on performance of banking institutions. The summary of the findings are given in order of the study objectives as follows:

5.2.1 Individual learning and organizational performance of the banking institutions

Regarding aspect of individual learning it was noted as one of the dimension that greatly affected organizational performance of the banking institutions. Individual learning was measured by the following items: continuous learning, inquiry and dialogue, level of competency, identifying skills brainstorming of ideas and viewing problems as an opportunity to learn. The correlation results showed that there was a strong positive association between individual learning and performance. The findings were validated by ANOVA test which showed that individual learning dimension has a positive and significant effect on performance in the banking institutions. Regression analysis was done to determine the relationship between individual learning and performance.

The empirical results indicated that the null hypothesis for individual learning was rejectedand this further proved that there was a statistically significant effect of individual learning on organizational performance in Nakuru and Kisii counties.

5.2.2 Team learning and organizational performance

In terms of team learning it was measured by groups being valued in the organization, rewarding collecting achievement, teams treating each other equally, groups learning new skills and knowledge, adapting their goals, brainstorming and discussion of issues, resolutions and enhancing cohesion and share goals. The correlation results revealed that there was a positive relationship between team learning and performance. ANOVA test further proved that we reject the Ho (null hypothesis) since team learning dimension had a positive and significant effect on organizational performance. The regression results showed that the null hypothesis was rejected and the alternative hypothesis which stated that there was a statistically significant influence of team learning on organizational performance accepted.

5.2.3 Organizational systems and organizational performance

Organizational systems was measured in terms organizational support to employees, shared topics learnt, development of new programs, increased in production, leadership, organizational structure and experiences of other organizations used to improve bank programs. The correlation results showed that there was a positive relationship between organization systems and performance.

The results were validated by ANOVA test which showed that the model was significant hence we reject the null hypothesis which implied that organizational systems dimension had a positive significant effect on organizational performance.

The regression analysis further revealed that the null hypothesis was rejected and this implied that organizational systems had a statistically significant effect on organizational performance.

5.2.4 Knowledge sharing and organizational performance

Knowledge sharing was measured by shared knowledge, documented information, redesigning of work processes, brainstorming to solve problems, and assigning employees to mentors to nurture them.The correlation findings revealed that there was a moderate significant relationship between knowledge sharing and performance. ANOVA test was used to further determine the relationship between knowledge sharing and organizational performance. The model used was significant hence the null hypothesis was rejected which showed that knowledge sharing dimension had a positive and significant effect on organizational performance. The empirical analysis that the null hypothesis was rejected hence there was a statistically significant effect of knowledge sharing on organizational performance.

5.3 Conclusions

The following conclusions were based on the objectives of the study on the effect of organizational learning dimensions on organizational performance of the banking institutions in Nakuru and Kisii counties, Kenya.

5.3.1 Individual learning and organizational performance

The results showed that individual learning dimension had a positive strong relationship on organizational performance of the banking institutions in Nakuru and Kisii counties, Kenya. The individual empirical findings revealed further that individual learning had a significant effect on organizational performance. This study concluded that there was a statistically significant effect of individual learning on organizational performance. This implied that individual learning is important because it increases the capability to attainment of organizational objectives and also individual are in a better place to compete in the job market.

5.3.2 Team learning and organizational performance

The findings indicated that there was a positive relationship between team learning and organizational performance of the banking institutions in Nakuru and Kisii counties.The results further revealed that teamwork is an accurate measure of performance since the regression findings proved that there was a statistically significant effect of teamwork on organizational performance. This implied that teamwork gives employees an opportunity to share ideas in an organization and it is also through teams that individual achieves team objectives.

5.3.3 Organizational systems and organizational performance

There was a positive significant relationship between organizational systems and organizational performance in Nakuru and Kisii counties, Kenya. The study findings further revealed that there was moderate positive effect of organizational systems on organizational performance. This implied there a statistically significant effect of organizational systems on organizational performance.

5.3.4 Knowledge sharing and organizational performance

There was a moderate relationship between knowledge sharing and organizational performance of the banking institutions in Nakuru and Kisii counties, Kenya. The regression findings further revealed that there was a negative significant relationship between knowledge sharing dimension on organizational performance. This showed that there was statistically significant effect of knowledge sharing on organizational performance. This meant that the aim of knowledge sharing is to enhance organizational power and action through shared vision and utilization of past experience.

5.4 Recommendations

The following recommendations were based on the objectives of the study on the effect of organizational learning dimensions on organizational performance of the banking institutions in Nakuru and Kisii counties, Kenya.

5.4.1 Individual learning and organizational performance

Individual learning is becoming vital in organizations and human resource development personnel are being challenged to be strategic in effecting learning, change and enhance functions of organizations in a competitive business environment. Their understanding on how to capitalize on individual learning will enable them strategically to promote learning and innovation performance at individual and firm levels in the organizations. Furthermore, it will enable them to develop systems and practices which will motivate employees to beware of external environments, the threats that exist and explore more opportunities for the organization. Therefore, this means that the human resource development professionals should be well versed and understand how organizational learning will enhance organizational performance most especially they should focus on innovation performance as this will equip them with the required knowledge that is key in creating learning infrastructure.

5.4.2 Team learning and organizational performance

Team learning is important in the banking institutions as these enable employees to have team spirit hence allowing organization as a whole to achieve the set goal. The study recommends that there is need for job enlargement in the organization which will enable the employees identify their areas of specialization and the necessary skills required for future tasks. The management should reward employees generously for their outstanding performance and collaboration in team working.

The institutions should create platforms that will give the employees a fair chance to participate and contribute to the organization's vision. It is very important for banks to encourage their employees to express their views by use of inquiry and dialogue.

5.4.3 Organizational systems and organizational performance

Effective systems should be put in place as stipulated in the strategic management of the banking institutions and the sustainability of the competitive damage relies on the ability of the institutions to demand for the same. Therefore, this study recommends that it is very important for these organizations to implement competitive strategy despite the challenges that they can encounter such as increased number of competitors and they should adopt market penetration using various ways such advertising and promoting their products/services. The institutions should also ensure product improvement, product replacement, product range extension and introduction which will ensure the organizations remain competitive in the market. Also the banking institutions should embrace strategic management systems which will increase their capacity for adapting to different environmental changes and learn, and monitor the strategic issues so that they can identify their full potential.

The study further recommends that the organizations should adapt the new technology which enhances flow of information. This means that there should be adequate financial resources and required infrastructure to ensure efficient adoption of technology innovation strategies.

5.4.4 Knowledge sharing and organizational performance

Sharing of knowledge in the organizations gives employees' capability to learn new ideas and help in creating a sustainable competitive advantage. Knowledge sharing also allowsemployees to utilize gained knowledge in solving critical issues concerning service provision to customers.The findings showed that there is need for banks to provide database where knowledge on several issues can be stored, retrieved and it can be updated anytime so that the information shared remains up to date and relevant with the current time. The organization should ensure that they create online platforms such as intranet where knowledge can be accessed and the members can learn from it. The organizations should also ensure that there is efficient internal communication through frequent capacity building programs, gatherings and get-together. Finally, the study recommends that employees should be re-deployed in different departments or sections to ensure that they keep learning new fields of specialization which will lead to varied work experiences.

5.5 Suggestions for Further Research

Since the variables under study individual learning, team learning organizational systems, knowledge sharing and knowledge management explained73.4% of the effect on performance leaving 24.6% to other variables. It is therefore recommended that a similar study be done to investigate other variables (dimensions) that explained 26.6% performance.

The study recommends further research focusing on the effect of organizational learning dimension on performance be done on other sectors in Kenya for instance public sector and the findings compared to establish if there is consistency on organizational learning dimensions and performance.

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APPENDICES

Appendix I: Introductory Letter

EMILY C. KETER- PHD/BSA/001/15,

SCHOOL OF BUSINESS & ECONOMICS,

P.O. BOX 2030-20200,

KERICHO.

To…………………………………….

……………………………………….

Dear Sir/Madam,

RE: RESEARCH STUDY

I am a student at University of Kabianga undertaking a research study on **EFFECT OF ORGANIZATIONAL LEARNING DIMENSIONS ON PERFORMANCE IN THE BANKING SECTOR IN KENYA: A SURVEY OF SOME COMMERCIAL BANKS IN NAKURU & KISII COUNTIES.**

The research is towards the partial fulfillment of the requirements for the award of the degree of Doctor of Philosophy in Business Administration (Human Resource Management Option). In this regard I humbly request for your support in filling the attached questionnaire. The information provided will be treated with utmost confidentiality, and will be used exclusively for academic research purposes.

Do not write your name or any other form of identification on the questionnaire.

Thank you for your time and co-operation.

Yours faithfully,

Emily C. Keter

Appendix II: Questionnaire for Organizational Learning Dimensions of Banking Institutions Performance

The questionnaire is divided into seven sections. Section A (Demographic) seeks to capture the profile of respondents while section B, (Individual learning) C, (Team Learning) D, (Organizational systems) E, (Knowledge sharing) F, (Knowledge management) and G, (Organizational learning and Performance) which will capture issues pertaining to the area of study. All the information in this questionnaire will be treated in confidence. Please indicate your opinion by ticking in the space provided.

SECTION A: GENERAL INFORMATION

1. Bank Name(optional) ____

Tick (√) whichever is applicable:

2. Gender: Male ☐ Female ☐
3. Age (Years): below 25 ☐ - 40 ☐ove 40 ☐
4. What is your designation in the bank please?
    1. Branch Manager ( )
    2. Counter Teller ( )
    3. Graduate clerk( )
    4. Computer operator( )
    5. Cashier ( )
    6. Customer care representatives ( )
5. Cadre of management
    1. Top Management ( )
    2. Middle Management ( )
    3. Junior Management ( )
6. Number of years worked with the Bank
    1. Below 3 years ( )
    2. 4-6 years ( )
    3. 7-10 years ( )
    4. 11-14 years ( )
    5. 15-18 years ( )
    6. above 19 years ( )
7. What is the highest level of education you have attained?
    1. Diploma ( )
    2. Bachelors' Degree ( )
    3. Master's Degree ( )
    4. O. Level ( )

SECTION B: Respond the following items on the extent to which you agree in the likert scale. Tick (√) your level of agreement on each statement SD - Strongly Disagree (1), D- Disagrees (2), U- Undecided (3), A – Agree (4) and SA – Strongly Agree (5)

S/ no	**Individual learning and performance**	SD	D	U	A	SA
		1	2	3	4	5
8.	An employee has new ideas that improve performance due to their own individual learning					
9.	An employee generates new ideas of new products and services using the new acquired knowledge					
10.	Managers encourage employees to share ideas with others in the course of their work					
11.	Employees are honest and give open feedback about their job performance and work related experience					
12.	Employees engage in dialogue relating to their jobs because of trust they have					
13.	Employees are aware of the critical issues affecting their work because they regularly acquire information through their personal learning					
14.	Employees demonstrate high level of competency due to having job related training					

SECTION C: Respond the following items on the extent to which you agree in the likert scale. Tick (√) your level of agreement on each statement
SD - Strongly Disagree (1), D- Disagrees (2), U- Undecided (3), A – Agree (4) and SA – Strongly Agree (5)

s/no	**Team learning and performance**	**Ratings**				
		SD	D	U	A	SA
		1	2	3	4	5
15.	Group work in this organization is valuable					
16.	Members of teams treat each other as equals regardless of position					
17.	Teams are rewarded for their collective achievement					
18.	Members of teams/groups learn new skills and knowledge from each other					
19.	Groups adapt their goals in response to emerging needs					
20.	Groups brainstorm and discuss ways of doing things					
21.	Groups resolutions are not used to improve production and service delivery					
22.	Group work enhances cohesion and shared goals					

SECTION D: Respond the following items on the extent to which you agree in the likert scale. Tick (√) your level of agreement on each statement SD - Strongly Disagree (1), D- Disagrees (2), U- Undecided (3), A – Agree (4) and SA – Strongly Agree (5)

s/no	Organizational systems and performance	SD	D	U	A	SA
		1	2	3	4	5
23.	Organization supports employees who take risks in line of duty					
24.	Topics learnt in the organization are available to employees for reference					
25.	Institutional learning lead to development of new programs					
26.	Institutional learning increases production efficiency					
27.	We do not embrace new leadership style as a result of institutional learning					
28.	Institutional learning help us improve our capacity					
29.	Organizational structures result from what we learn					
30.	Experiences of other organizations are used to improve our work programmes					

SECTION E: Respond the following items on the extent to which you agree in the likert scale. Tick (√) your level of agreement on each statement SD - Strongly Disagree (1), D- Disagrees (2), U- Undecided (3), A – Agree (4) and SA – Strongly Agree (5)

s/no	Knowledge sharing and performance	SD	D	U	A	SA
		1	2	3	4	5
31.	In my organization knowledge is shared among business partners					
32.	In my organization supervisors share knowledge with subordinates					
33.	In meetings, we take everyone's viewpoint and understand					
34.	In my organization knowledge is shared across units					
35.	We do not share documented specific					

	knowledge related to current work operations					
36.	We share new ideas to redesign work processes online					
37.	We brainstorm suggestions for solving problems in order to improve current organizational policies					
38.	New employees are assigned mentors to help them on personal work					

SECTION F: Respond the following items on the extent to which you agree in the likert scale. Tick (√) your level of agreement on each statement SD - Strongly Disagree (1), D- Disagrees (2), U- Undecided (3), A – Agree (4) and SA – Strongly Agree (5)

s/no	**Organizational learning performance**.	**Ratings**				
		SD	D	U	A	SA
		1	2	3	4	5
39.	My organization meets its performance targets					
40.	My bank understands and meets both internal and external customer needs.					
41.	Individuals fulfilled their work					
42.	Individuals are generally satisfied with their performance.					
43.	shareholders get good return from our banks					
44.	Staff are satisfied working here					
45.	Organizational learning helps to improve employee satisfaction					

Appendix III: NACOSTI Permit

THIS IS TO CERTIFY THAT:
MS. EMILY CHEPNGENO KETER
of UNIVERSITY OF KABIANGA,
2030-20200 KERICHO,has been
permitted to conduct research in *Kisii* ,
Nakuru Counties

on the topic: *EFFECTS OF ORGANIZATIONAL LEARNING DIMENSIONS ON PERFORMANCE IN THE BANKING SECTOR: A SURVEY OF SOME COMMERCIAL BANKS IN SELECTED COUNTIES IN KENYA*

for the period ending:
23rd May,2020

Permit No : NACOSTI/P/19/82397/30474
Date Of Issue : 28th May,2019
Fee Recieved :Ksh 2000

....
Applicant's Signature

....
Director General
National Commission for Science, Technology & Innovation

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone +254-20-2213471,
2241349,3310571,2219420
Fax:+254-20-318245,318249
Email: dg@nacosti.go.ke
Website : www.nacosti.go.ke
When replying please quote

NACOSTI, Upper Kabete
Off Waiyaki Way
P.O. Box 30623-00100
NAIROBI-KENYA

Ref: No. **NACOSTI/P/19/82397/30474**

Date: **28th May, 2019**

Emily Chepngeno Keter
University of Kabianga
P.O.Box 2030 - 20200
KERICHO.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on ***"Effects of organizational learning dimensions on performance in the banking sector: A survey of some commercial banks in selected Counties in Kenya"*** I am pleased to inform you that you have been authorized to undertake research in **Kisii and Nakuru Counties** for the period ending **23rd May, 2020.**

You are advised to report to **the County Commissioners and the County Directors of Education, Kisii and Nakuru Counties** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit **a copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.

DR. STEPHEN K. KIBIRU, PhD.
FOR: DIRECTOR-GENERAL/CEO

Copy to:

The County Commissioner
Kisii County.

The County Director of Education
Kisii County.

The County Commissioner
Nakuru County.

The County Director of Education
Nakuru County.

Appendix IV: Approval Letter from University of Kabianga

UNIVERSITY OF KABIANGA

ISO 9001:2015 CERTIFIED

OFFICE OF THE DIRECTOR, BOARD OF GRADUATE STUDIES

8TH MAY, 2019

Ref: PHD/BSA/001/15

Emily Chepngeno Keter,
Department of Accounting & Finance
University of Kabianga,
P.O Box 2030- 20200,
KERICHO.

Dear Ms. Keter,

RE: CORRECTED PROPOSAL

This is to acknowledge receipt of two copies of your corrected Proposal entitled **"Effects of Organizational Learning Dimensions on Performance in the Banking Sector: A Survey of some Commercial Banks in Selected Counties in Kenya."**

You are now free to commence your field work on condition that you obtain a research permit from NACOSTI.

Please note that, you are expected to publish at least two papers in a peer reviewed journal before final examination (oral defence) of your PhD thesis.

Thank you.

Yours Sincerely,

08 MAY 2019

Prof. J. K. Kibett
DIRECTOR, BOARD OF GRADUATE STUDIES.

c.c 1. Dean, SBE
2. HOD, Accounting & Finance
3. Supervisors

Appendix V: Some of the responses from Commercial Banks

Barclays Bank of Kenya Limited
West Kenya Group of Branches
Kericho Branch
P.o Box 79-20200
Kericho
Fax: +254 (052) 30308

24/05/2019

To: EMILY KETER
UNIVERSITY OF KABIANGA

Dear Madam,

RE: QUESTIONNAIRE

This is to inform you that we are in receipt of your questionnaires to a research study on effects of organizational learning dimensions on performance in the banking sector.

Emily we will support you in filling you questionnaire. We wish you success in your endeavour and hope that the study findings will be of beneficial to us all.

Thank you

Yours sincerely,

Cynthia Tonui

Barclays Kericho

EMILY C. KETER- PHD/BSA/001/15,
SCHOOL OF BUSINESS & ECONOMICS,
P.O. BOX 2030-20200,
KERICHO.

To The Manager,
Co-operative Bank, KISII

Dear Sir/Madam,

RE: RESEARCH STUDY

I am a student at University of Kabianga undertaking a research study on **EFFECTS OF ORGANIZATIONAL LEARNING DIMENSIONS ON PERFORMANCE IN THE BANKING SECTOR IN KENYA: A SURVEY OF SOME COMMERCIAL BANKS IN NAKURU AND KISII COUNTIES.**

The research is towards the partial fulfillment of the requirements for the award of the degree of Doctor of Philosophy in Business Administration (Human Resource Management Option). In this regard I humbly request for your support in filling the attached questionnaire. The information provided will be treated with utmost confidentiality, and will be used exclusively for academic research purposes.

Do not write your name or any other form of identification on the questionnaire.

Thank you for your time and co-operation.

Yours faithfully,

Emily C. Keter

With Compliments A 104

Emily,

We will assist in filling your questionnaires.

CO-OPERATIVE BANK OF KENYA
Kisii Branch
P. O. Box 2469, Kisii
Tel: 058 31509, 31512
Cellphone:0722-202980, 0734-600709
Fax: 30697
E-mail: kisiibr@co-opbank.co.ke

0720205528

EMILY C. KETER- PHD/BSA/001/15,
SCHOOL OF BUSINESS & ECONOMICS,
P.O. BOX 2030-20200,
KERICHO.

THE CO-OPERATIVE BANK OF KENYA LTD
20 MAY 2019
RECEIVED
NAKURU BRANCH

Approved to do research
20/05/2019

To....The Manager,..........
........Co-operative Bank, Nakuru

Dear Sir/Madam,

RE: <u>RESEARCH STUDY</u>

I am a student at University of Kabianga undertaking a research study on **EFFECTS OF ORGANIZATIONAL LEARNING DIMENSIONS ON PERFORMANCE IN THE BANKING SECTOR IN KENYA: A SURVEY OF SOME COMMERCIAL BANKS IN NAKURU AND KISII COUNTIES.**

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Do not write your name or any other form of identification on the questionnaire.

Thank you for your time and co-operation.

Yours faithfully,

Emily C. Keter

EMILY C. KETER- PHD/BSA/001/15,
SCHOOL OF BUSINESS & ECONOMICS,
P.O. BOX 2030-20200,
KERICHO.

To..THE...BRANCH...MANAGER..
..DIAMOND...TRUST..BANK....

Dear Sir/Madam,

RE: <u>RESEARCH STUDY</u>

I am a student at University of Kabianga undertaking a research study on **EFFECTS OF ORGANIZATIONAL LEARNING DIMENSIONS ON PERFORMANCE IN THE BANKING SECTOR IN KENYA: A SURVEY OF SOME COMMERCIAL BANKS IN NAKURU AND KISII COUNTIES.**

The research is towards the partial fulfillment of the requirements for the award of the degree of Doctor of Philosophy in Business Administration (Human Resource Management Option). In this regard I humbly request for your support in filling the attached questionnaire. The information provided will be treated with utmost confidentiality, and will be used exclusively for academic research purposes.

Do not write your name or any other form of identification on the questionnaire.

Thank you for your time and co-operation.

Yours faithfully,

Emily C. Keter

It's a Pleasure Serving you. Welcome.

20/5/19

RECEIVED 20 MAY 2019 DTR

EMILY C. KETER- PHD/BSA/001/15,
SCHOOL OF BUSINESS & ECONOMICS,
P.O. BOX 2030-20200,
KERICHO.

To..THE BRANCH MANAGER..
..........EQUITY BANK...........

Dear Sir/Madam,

RE: RESEARCH STUDY

I am a student at University of Kabianga undertaking a research study on **EFFECTS OF ORGANIZATIONAL LEARNING DIMENSIONS ON PERFORMANCE IN THE BANKING SECTOR IN KENYA: A SURVEY OF SOME COMMERCIAL BANKS IN NAKURU AND KISII COUNTIES.**

The research is towards the partial fulfillment of the requirements for the award of the degree of Doctor of Philosophy in Business Administration (Human Resource Management Option). In this regard I humbly request for your support in filling the attached questionnaire. The information provided will be treated with utmost confidentiality, and will be used exclusively for academic research purposes.

Do not write your name or any other form of identification on the questionnaire.

Thank you for your time and co-operation.

Yours faithfully,

Emily C. Keter

EQUITY BANK (KENYA) LIMITED
KENYATTA AVENUE BRANCH - NAKURU
NAME:
SIGN:

Accepted to
do her research