

**MANAGEMENT PERCEPTION OF THE INFLUENCE OF STRATEGIC CHOICE
ON PERFORMANCE OF I & M BANK LIMITED KENYA.**

**BY
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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENT FOR THE AWARD OF MASTER OF BUSINESS
ADMINISTRATION DEGREE, FACULTY OF BUSINESS AND MANAGEMENT
SCIENCES, UNIVERSITY OF NAIROBI**

May 2023

DECLARATION

Declaration by the Candidate

This research project is my original work and has not been offered for award of a master degree at the University of Nairobi or any other institution.


Signature... Date 10th May 2023

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This research project has been submitted for examination with my approval as the university supervisor.

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ACKNOWLEDGEMENT

The successful outcome of this research wouldn't have been possible without the grace of God the Most High. May your name be forever exalted. Additionally, salutations to my supervisor, Mr. Alex Jaleha, for the guidance and direction given to me as my mentor. I say thank and God bless you. My gratitude to I & M Bank Divisional heads, General Managers, Senior Managers and Branch Managers who helped me in the research project by providing the requested information.

Lastly, Special thanks to my parents, wife Prisca Wanjala, my daughter Amara Wanjala and Ariana Wanjala for their unrelenting backing, prayers and uplift for the entire duration of the Master of Business Administration program. May the Lord's grace be with them.

DEDICATION

I dedicate the completion of my project to the Lord God almighty, my creator and giver of life. May your presence reign in my life forever. To my parents Emmanuel Wekesa and Neddy Wekesa, My wife, Children, Siblings, My Colleagues and my Classmates. May God answer all your secret prayers.

ABBREVIATIONS AND ACRONYMS

I&M	Bank: Investment and Mortgage Bank
SCT:	Strategic choice theory
CTL:	City Trust Limited
AIMS:	Alternative Investment Market Segment
NSE:	Nairobi Stock Exchange
MIMS:	Main Investment Market Segment
CMA	Capital Markets Authority
CBK:	Central Bank of Kenya

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ABSTRACT

Management decisions on the strategic choices to be adopted in an organization for improved organizational outcomes, depends on how they interpret and perceive the environment impinging on the organization. It is imperative to explore managerial cognitions to gain knowledge on their roles in deciding on the appropriate strategic options. However, studies on strategic choice and organizational performance are incomplete as they have not provided conclusive evidence of the role managerial perception or cognitions play in deciding on the strategic options. To address this gap, the inclusion of management perception in the relationship between strategic choices and performance at I&M Bank was warranted. A survey was adopted and the population of interest were 356 managers employed at the bank. The study used Yamane's formula to narrow down the target population to a sample 188 managers. Stratified sampling was used to ascertain the type and number of managers to administer questionnaires to. Primary data was collected with the aid of a questionnaire and was analyzed using descriptive statistics. The overall finding using the t test showed that managers had a positive view of the positive role strategic choice had on performance of I & M Bank. With regard to the individual strategic choices the bank had adopted to implement the iMara strategy, reshaping of the workforce was perceived by the managers to be the most significant choice to influence on the bank's performance, followed by adoption of new digital technologies, then product/service diversification and lastly, internal customer management system. This study recommends that I & M Bank should continue implementing the iMara strategic choices as they were perceived to improve performance. The continued implementation of the iMara strategy will drive business growth, build resilience and optimize operations, key functions in the bank's operations and performance.

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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Prior literature has shown that strategic choice and organizational performance hold a pivotal position in strategic management research. Bisney (2022) asserts that strategic choice aligns organizational characteristics to its environment. Researchers and scholars generally agree that an organization's ultimate growth and superior performance are largely dependent on the strategic choices adopted (Oyiedo, 2013; Doppelt, 2010). Fundamentally, as the top management engage in the different facets of the strategic management process, their perception, interpretation of the environment will influence their strategic choices which subsequently will influence organizational performance.

In support, Awino et al., (2017) avers that adoption of the right strategic choices and their effective deployment is a matter of how an organization's top management team perceive and interpret the environmental circumstances. However, other scholars argue that the volatility of the environment makes it challenging for managers to formulate and implement the right strategic choices for improved organizational performance (Hynes, & Serpa, 2010). Thus, while most studies have shown how implementation strategic choice has a positive influence on organizational performance, still other studies show the limited role strategic choice play in enhancing organizational performance due to different interpretations of the environment by an organization's top management team (Bisney, 2022; Oyiedo, 2013; Doppelt, 2010).

This study's conceptualization of management perception, strategic choice and firm performance was mainly anchored on the Strategic Choice theory (Child, 1972), and

supplemented by Upper Echelon theory (Hambrick & Mason, 1984) and Constructivist Theory of Perception (Gregory, 1970). While the Strategic Choice theory argues that organizational performance is partly a function of environmental determinism, the critical variable that determines the appropriate strategic choices for organizational performance is how the top managers interpret and perceive the prevailing circumstances (Child, 1997). The Upper Echelon theory suggests that an organization's top management teams' demographic and psychographic characteristics will how they perceive the environment which is likely to influence their decisions on strategic choices and ultimately performance of the organization. The Constructivist Theory of Perception argues that how managers perceive the external environment and the attendant strategic choices for superior performance is based on their previous knowledge, experience, and context.

I&M Bank which started as a local financial services organization, has grown and developed over the years to become one of the top tier banks publicly listed at the Nairobi Securities Exchange (NSE), with a portfolio mix of various financial services. I&M Bank Kenya has mainly focused on offering its financial services to its traditional corporate clients. However, as part of its financial deepening strategy, the bank has extended its financial services to micro, small and medium enterprises (MSMEs) through provision of digital solutions for the seamless transition. Through its strategic choice of leveraging its digital and IT capabilities. I & M Bank has expanded its offers of service/market mix to ranging from transactional accounts, vehicle loaning and overdraft facilities, e-commerce payments, salary processing, trade finance and insurance financing services (I&M Holdings Plc Integrated Report & Financial Statements, 2020)

Over the past decade, Investments and Mortgages Bank Limited (I&M Bank) has employed strategic choice as a vehicle that aligns its operations to the environment to enhance performance. In 2017, I & M Bank Limited launched a set of customer solutions under its iMara 2.0 strategy as part of its efforts to meet its diverse customer's financial needs. The strategy was designed to deepen and penetrate the Retail and MSME segments through tailor-made customer solutions. In 2021, the bank implemented phase two iMara 2.0 strategy that enabled the bank to anchor digitization at the core of its operations and product development (I&M Bank Limited Annual Report and Consolidated Financial Statements 2021). Fundamentally, the iMara 2.0 strategy was designed to provide robust platforms to support the bank's growth strategies by improving efficiencies and leveraging on the bank's synergies.

1.1.1 The Concept of Managerial Perception

According to Yenesew (2014), managerial perception refers to the way managers interprets and understands an environmental stimulus. Managerial perception is defined as the way through which managers interpret the environmental characteristics (Doppelt, 2010). Thus, it is how managers make sense out of the environmental stimuli through the cognitive selection, organization and interpretation of the information. Managerial *perception* is how managers cognitively interpret information that they use to make decisions (Mezias and Starbuck, 2003). Abdiaziz (2018) defines managerial perception as a process through which managers receive, select, organize, and interpret information in an attempt to attach meaning to an object.

Harrison (1975) avers that the attributes of the managerial perception consists of first, the selection, which is the isolation of pertinent information for further evaluation, closure, the process of compiling the relevant information into some meaningful theme, lastly interpretation, which is the use of past experience to aid in evaluating the previously collected

pertinent information. Doppelt (2010) contends that managers react to facts or issues according to how they themselves see them and not according to how others see the issues or facts. Similarly, Yenesew (2014) agrees that the way managers perceive the environment within their workplaces is a function of repetitiveness of the stimuli. Oyiedo (2013) further points out managers' decision making behavior is hinged on their perception of the situation. Wiersema & Bantel (1992) points out that the perception of managers at the upper echelon of the organizations will determine the type of strategic choice decisions as a reflection of their cognitive base. In agreement, Hambrick & Mason (1984) point out that the values and cognitive bases of the organization's top executives is reflected in the strategic choices adopted. Such values and cognitive bases of the top managers emerge due to their observable characteristics like education, experience and background. The managerial perceptual process can have a significant impact on the choices managers make at work. Consequently, top management team's demographic characteristics influence the way they select and interpret information and evaluate strategic choices (Bisney, 2022).

1.1.2 Strategic Choice

According to Johnson, Scholes and Whittington (2009), strategic choice refers to a management process of identifying options available in light of the stakeholders' expectations and selecting the ideal strategic option for implementation. Jordana et al., (2011) define strategic choice as the whole process of making a decision with regards to a particular option, from various alternative, an organization will pursue to meet a specific goal. Strategic choice, according to Milton (2020), is the process by which those in positions of authority within organizations select a course of strategic action. It is notable that all the scholarly definition of the term strategic choice agree that it is a process that ultimately select specific option out of numerous alternatives. Additionally, the definitions point out that strategic choices are made

by the top leadership. This study will define strategic choice as the decisions made by top leadership that determines the future strategy of an organization.

According to Zahra, Ireland & Hitt (2000), point out that strategic choices of international expansion and Research & Development brings better performance for an organization. Hutzschenreuter & Israel (2009) contend that strategic choices that focus on product positioning and innovation, supply chain agreements could positively influence performance. Hambrick & Mason (1984) opine that strategic choices in the form of strategic alliances and internal restructuring and diversification are determined by the top managers' cognitive foundation. Awino et al (2017) operationalized strategic choice as internal restructuring, diversification and strategic alliances. Corporate level strategies are the grand strategies such as market development and concentration, innovation, integration, stability, expansion, retrenchment, divestment, and harvesting which are desired for long-term performance (Johnson et al., 2008). Business level strategies which examine how firms compete in a given industry in its endeavor to achieve superior performance include differentiation and price or cost leadership and whether their scope of market coverage is narrow or broad (Porter 1985). Functional level strategies focus on the actual implementation of an organizations strategic plan (Johnson et al., 2008). This present study will adopt the corporate and business level strategies that are formulated by the top management since they directly influence organizational performance.

1.1.3 Organization Performance

Scholars have defined the concept of organization performance in a variety of ways. Teiko (2022) defined organization performance (OP) as the ability to be efficient and effective during the conversion of inputs into desired outputs. Bisney (2022) defines organizational

performance as how an organization effectively achieves its information, financial, and human resources, in the business market. Organization performance is defined as the realization of the actual against the anticipated outcomes (Osmani & Hossain 2015). Based on the three diverging definitions of organization performance, it is evident that the definitions vary depending on the perspective adopted. For the purpose of the realization of the current study's objective, organization performance will be defined from both the productive and competitive perspectives. Hence it will be defined as the actual results compared to the anticipated output as well as the capability of the organization to achieve its financial and non - financial performance.

Sabina (2009) highlights the importance of measuring organization performance because it helps managers to understand the company's position relative to the competition. Nonetheless, previous studies have demonstrated that the measurement of organization performance is still a challenge to researcher and practitioners alike. As a result, several models of measuring organization performance have been suggested. For instance, the Sink and Turtle (1989) model measures organization performance by categorizing performance into quality of products, efficiency, effectiveness, productivity, innovation, profitability, and quality of work life. Similarly, other studies have measured organization performance by making performance the dependent variable and comparing it to different other variables that indicate the level of performance (Muchemi, 2013; Namada, 2013).

1.1.4 Investment & Mortgages Bank Company Limited

I&M Group PLC, originally City Trust Limited (CTL), was incorporated in August 1950. VTL was originally started as an alternative marketing corporation and it was listed at the Nairobi Stock Exchange (NSE) under the Alternative Market Segment (AIMS). The corporation has grown over time to be one of the biggest institutions in the banking sector in Kenya. In June 2013 I&M Bank Limited acquired CTL. In the same year, I&M Bank was licensed as a non-operating holding company pursuant to the Banking Act, Cap 488 of the Laws of Kenya. Today, I&M Bank is dominantly present in five countries, namely, Kenya, Uganda, Tanzania, Mauritius, and Rwanda. The company is headquartered in Nairobi Kenya.

In the wake of stiff competition occasioned by an increasingly competitive banking sector in Kenya, I&M bank was forced to reinvent itself continuously. In the process, the bank modelled the iMara 1.0 Strategy, launched in 2017. The strategy is focused on reinventing the company's banking system through exemplary customer services. Fundamentally, the strategy was designed to provide unmatched service propositions to the market. Since launching the strategy, I&M bank has invested significantly in making its banking system simple through optimizing customer experiences. Informed by feedback from customers, the bank introduced new products and services to reflect marked needs and demands. Additionally, the company invested heavily in modern technological banking systems such as internet and mobile banking. Therefore, an empirical investigation on the perceived effect of iMara strategy on performance of I&M Bank was justified.

1.2 The Research Problem

The influence of strategic choice on organizational performance has been studied extensively and despite a plethora of many empirical studies, the strategic choice and OP phenomena requires additional empirical studies due to the diversity of results and lack of consensus

brought by conceptual and contextual gaps. A study Lu, Yeh, Lan, & Chow (2000) found that an organization's structure constrained the organization's strategic choices of nine diversified corporations in Guangdong, China. However, a conceptual gap emerges as the focus of the study was on organizational structure as a limiting variable in determining strategic choice. A study by Awino et al., (2017) established that internal restructuring, strategic alliances and diversification positively influenced performance of accredited universities in Kenya. A contextual gap emerges as the study was conducted in public universities. Kamau et al., (2018) study, established that by adopting environmentally aligned strategic choices, performance of financial institutions in Kenya is improved.

In order to drive business growth, resilience and optimizing operations, I & M Bank Limited implemented phase 2 of its corporate strategy, iMara 2.0. This enabled I & M Bank limited to leverage digitization on its operations and product development. I&M Bank Limited also launched the Wealth Management and Advisory Services unit with the objective diversifying revenues by providing holistic financial solutions to its clients. The Bank also entered a partnership with Backbase, a leading mobile and internet banking platform provider to accelerate digital transformation by transforming the customer experience when interacting with the Bank. To further achieve its growth and performance prospects through the strategy of diversification, I&M Bank Limited entered into various asset financing partnerships with other organizations and individual customers,

Studies done globally, regionally and locally on management perception, strategic choice and organizational performance have established a plethora and diversity of findings. The strategic decision making and performance relationship of Australian commercial banks, confirmed that focus strategy positively influenced bank performance (Hang & Wang 2012). A study by

Junqueira, Dutra, Filho, & Gonzaga (2016) on strategic choices, management control systems and organizational performance, established that strategic choices positively influenced performance when management control systems mediated the relationship. An empirical study by Sharma & Fisher (1999) on strategic choices and business performance in Australian manufacturing companies established that operational strategies positive influenced performance. A world- wide survey by Ivanova & Minutolo (2020) on strategic choice and firm performance during COVID-19 confirmed that liquidity increased or stayed the same for the companies that adopted the expansion strategy. While the above cited studies were able to demonstrate the relationship between the two concepts of strategic choice and performance were positively linked, other studies used moderating variables and were done in different countries. This raised both conceptual and contextual gaps that this study sought to investigate

A study by Fapohunda (2012) on management perception, strategic intentions and performance of selected banks in Nigeria, established that the link between the choice of strategy and management decisions, positively influenced firm performance. A study by Masanga & Zinyuku (2017) on strategic choices in turbulent times of Bread Manufacturers in Zimbabwe, established that marketing and low cost strategic choices positively and significantly influenced business survival chances and competitiveness. A study by An, Cho, & Kang (2021) research on strategic choices, institutions and performance in sub-Saharan Africa found out that market-based strategies improved firm performance. Mashingaidze, Phiri & Bomani (2021) on the perceived impact of strategy formulation practices on financial performance of small and medium enterprises in Zimbabwe, confirmed the relationship was perceived as positive and significant. While the cited studies above have established the positive influence of strategic choice on firm outcomes, they were conducted in different settings, hence emergence of contextual gaps that this study sought to address.

An empirical study by Koech, Mathenge, & Mwangi (2022) on the internal organization characteristics and strategic choice of Cement Manufacturing Firms in Kenya, established that organizational design, organizational culture, the style of leadership and the adequacy of resources determined the successful implementation of strategic choice. A study by Kamau, Aosa, Machuki, & Pokhariyal (2018) on strategic choices and organizational performance of financial institutions in Kenya, found out that adoption of strategic choices that correctly aligned with environmental demand positively improved firm performance. Namatsi (2018) research on choice of product strategies, positively influenced the performance of deposit-taking co-operative societies in Kenya. The choice of strategies implemented by commercial banks in Kenya to enhance quality of service, were found to be costly as it was challenging to adopt one particular strategy on frequent basis Chege (2013). Gachimu & Njuguna (2017) investigated the link between strategic positioning and financial performance of commercial banks in Kenya, and confirmed the positive influence of technological innovation as a strategic choice on financial performance. While the studies cited above focused on strategic choices and performance, they were conducted in different settings, others included mediating variables and had disparate dependent variables. This highlighted the emergence of contextual and conceptual research gaps.

Study findings on the strategic choice and organizational performance link are inconclusive. While some studies have included various mediating variables such as structure, culture, managerial leadership style, and resources, others have operationalized strategic choice and performance using different dimensions, thus emergence of a conceptual gap. Most studies have been done in different timelines and contextual settings and their findings may not apply to the present day I & M Bank Kenya undergoing significant managerial and technological

changes for improved organizational performance. To address these gaps, the following research question emerges: What is the management perception on the influence of strategic choice on organizational performance of I & M Bank, Kenya?

1.3 Objective of the Study

This study's objective was to determine the management perception on the influence of strategic choice on performance of I &M Bank Limited Kenya

1.4 Value of the Study

For the researchers and academicians, the study findings will enable them to highlight the importance of management perception on the role of strategic choice on firm performance. The Strategic Choice theory as applied in this study will provide a theoretical framework of strategic options and integrate arguments from the Upper Echelon theory and Constructivist theory of Perception, to get a more balanced picture of the causes of organizational performance by making clear the linkages between managerial perception and strategic choice.

The study findings will aid practitioners and management consultants to have a clear understanding of the role of management perception in determining the appropriateness of strategic choices and their influence on organizational performance. The findings will further aid the consultants, to offer advice to managers of I & M Bank, on the appropriate strategic choices in different environmental settings and to offer recommendations on effective strategic decision making and implementation of strategic choices.

Conclusions from this study will be a useful starting point of information to the top policy formulators in I & M Bank and the government. Since I & M Bank is an important player in Kenya's financial sector, the study will contribute to a policy framework on how I & M Bank could improve its performance by investing in its management capabilities to correctly perceive the environment and adopt appropriate strategic choices for organizational performance. This study will also enable the government through the Central Bank of Kenya, to formulate and implement better policies, together with legislative and regulatory mechanisms that will strengthen the commercial banking sector against past failures and improve their future performance.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section covered the theories that anchored the study and reviewed empirical literature with the aim of identifying and summarizing the research gaps. In theoretical review, the emerging research gaps were pinpointed with a view of answering the research question.

2.2 Theoretical Foundation

This study main theory was the Strategic Choice, and was complemented by Upper Echelon theory and the Constructivist theory of Perception (Child, 1972; Hambrick & Mason, 1984; Gregory, 1970). Parnell (2013) notes that the link between the theories is manifested by the capability of top management teams to influence organizational performance through proper interpretation of the turbulent environment as a precondition to adopting the right strategic choices.

2.2.1 Strategic Choice Theory

Child (1972) made the initial proposal for the idea of Strategic Choice, which suggests that organizational top managers have the power to make decisions that impact on performance. While the choice theory partly recognizes the distinct impact of the environment, the critical roles played by top management to direct strategic choices that ultimately determines performance of organizations is emphasized (Miles et al., 1978). The implication this theory is that it directly anchors managerial perception and decision-making into the management of the organization. According to Child (1997), strategic decision-making is a deliberate process by which the dominant coalition within an organization choose strategic options. Kochan et al.

(1984) asserts that managerial discretion through strategic decision-making is a crucial factor in explaining the behavior of organizations.

While the Strategic Choice theory argues that organizational behavior is partly determined by environmental conditions, it reinforces the idea that strategic choices made by the organizations' dominant coalition are important in influencing performance of organizations (Rohof 2013). Consequently, the choice of strategic options should align with the long term performance goals of the organization by deciding how to allocate resources and developing action plans. Johnstone, Rodriguez, & Wilkinson (2023) argue that the use of Strategic Choice theory in understanding organizational behavior is limited as it ignores roles of power and emotions and past events in decision making. Nonetheless, Strategic Choice theory remains relevant to this study since the theory's implication is that it influences how management interprets the environment, which in turn determines the strategic choices and ultimately, influence organizational performance.

2.2.2 The Upper Echelon Theory

The Upper Echelons theory suggests that an organization's top management teams' demographic characteristics, account for how they interpret the environment that determines their strategic choices for organizational performance (Hambrick & Mason, 1984). Thus, the Upper Echelon theory suggests that different environmental conditions facing organizations are addressed by managers where decisions on the strategic choices are decided by the managers' distinct characteristics, and as a result of the choices made, they impact on organizational performance (Juravich, 2012). According to Hambrick & Mason (1984), the UET theory highlights the readily observable individual demographic characteristics of the organization's senior executives, that can be used to predict organizational performance. Thus,

organizational tactics and effectiveness mirror the beliefs and assumptions of its top executives (Carpenter, Geletikanyes & Sanders, 2004).

The UET postulates that an organization's senior managers' perceptions greatly influence the strategic decisions they make, which in turn may have an impact on the organization's performance. Their distinct and different values and cognitive level have a big impact on how they perceive things (Carpenter et al. 2004). While the UET has been criticized for its lack of concrete explanation on the mechanisms of how TMT demographic characteristics influence performance, the theory's implication is that these characteristics integrate to influence a manager's discretion to shape their interpretation of the organizational environment which determines the strategic choice for superior performance.

2.2.3 Constructivist Theory of Perception

The Constructive theory of Perception (Gregory, 1974) suggests that management perception is shaped by senses of information to interpret and develop a perceptual knowledge of the environmental situation. Thus it's crucial to remember that sensation does not imply actual awareness of an external object, but a subjective experience or a shift in the mental state brought about by the activation of a sensory organ. The term perception refers to the understanding of an object or its characteristics that we gain through our senses. Along with the experience, another mental act is also a part of this perceptual cognitive process. The constructivist approach to perception is based on this assertion (Lilian, 2018).

The theory suggests that perception does not accurately reflect sensory stimuli (Gregory. 1974). Thus, perception enables top managers build a strategic choice model of reality out of both experiences and conclusions. They construct strategic choices by perceiving the world around

them by making an interpretation of what they see based on information from their past experiences. This strongly suggests that perception develops more from nurture than nature (Lilian, 2018). Thus, management perception works by making reasonable guesses about what managers see on the basis of what it is most likely to be by making inferences (Jordana et al., 2011).

2.3 Perceived Influence of Strategic Choice on Organization Performance

Prior knowledge on the perceived impact of strategic choice on organizational performance has been done. A study by Reger, Duhaime, & Stimpert (1992) on strategic choice and financial performance of U.S. bank holding companies, found out that deregulation indirectly and directly affected the banks' strategic choices and ultimately their risks and returns. According to an empirical investigation by Olson, Parayitam, & Twigg (2006) study on the choice of strategic options, diversity and firm performance in the telecommunications industry, it was established that diversity in age negatively influenced choice of strategic options, functional diverseness positively influenced choice of strategic options, and strategic choice indirectly influenced performance through functional diversity. A study by Belkhaoui, Lakhel, Lakhel, & Hellara (2014) established that diversification strategy positively and directly influenced performance of banks in emerging economies. Cescon, Costantini & Grasseti (2019) established that strategic choice had no influence on the methods used in strategic management accounting. Dushnitsky, Piva, & Rossi-Lamastra (2022) research on strategic choices and performance of crowdfunding transaction platforms in European countries, found out that a positive and significant association.

A study by Ajala, & Aworemi (2014) on strategic decisions and post consolidation performance of Banks in Nigeria found out mergers and acquisitions, positively and

significantly influenced bank performance. However, strategic decisions that included asset profiling, operating efficiency and liquidity risk were statistically negatively related with bank performance. Ndimele-Mekuri, & Hart-Akinsola (2021) research on pandemic disruptions and strategic choices of money deposit banks in Rivers State, Nigeria, established that as banks embraced remote working, they adopted digital and online strategic choices. Takoy (2018) study on strategic choice on commercial banks in South Sudan, found out that restructuring and remodeling were the key strategic options for survival in the turbulent environment. The positive relationship between service innovations and customer satisfaction in Ghana's banking sector was empirically confirmed (Yu Sheng & Ibrahim, 2018). Masanga & Zinyuku (2017) study on strategic choices in turbulent times of bread Manufacturers in Zimbabwe, established that while marketing and low cost strategic choices maximized business survival and competitive advantage, the study established that due to high capital costs and limited capabilities, diversification was not an appropriate strategic choice.

An empirical study by Njuguna & Muathe (2020) on the choice of strategic options and performance of Mission Hospitals in Kiambu County Kenya, pinpointed the positive and significant association. The choice of product development strategies and their link to performance of deposit taking co – operative societies in Kenya, established a positive association (Namatsi, 2018). An investigative study by Githinji's (2015) on the strategic choice and performance phenomenon of audit firms in Kenya, showed cost leadership strategy significantly enabled audit firms to offer their services in a broad market, and thus improve performance. The strategic choice and competitive advantage link of private universities in Nairobi County, established that strategic alliances, technological, product differentiation positively and significantly affected competitive advantage (Thiong'o, Wasike & Yano, 2021). A study by Kamau et al., (2018) on strategic choices and performance of financial institutions

in Kenya established an indirect association between strategic choice and organizational performance. A study by Ogare (2013) linking electronic banking strategy and performance of commercial banks in Kenya, demonstrated that it was positive. Kombe's (2023) study on the influence of financial innovations on demonstrated a positive influence due to increased transactions and reduction in maintenance costs.

2.4 Summary of Research Gaps

The outcome of the empirical review of the cited studies above have revealed glaring contextual and conceptual deficiencies. While most studies addressed the strategic choice and performance connection, they did not incorporate the role of management perception in determining strategic choice for organizational performance. Studies also adopted disparate variables of strategic choice and their varying effects on performance constitute a conceptual research gap. Other studies cited have highlighted the indirect influence of strategic choice on performance, consequently, the mixed findings on the direct relationship between strategic choice on performance could be attributed to the different ways strategic choice and performance have been operationalized. The strategic choice and performance phenomenon is inconclusive due to the differences in their contextual settings. While most studies cited focused on commercial banks, they did not focus on I & M Bank, thus a contextual gap.

Thus, while the concept of strategic choice and its influence on organization performance has been investigated, the results are inconclusive and there is no consensus among researchers as the role of management perception on choosing specific strategies has not been exhaustively pursued, yet it plays a critical role in influencing performance of organizations.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The section outlined the specific procedures used in this study to identify, select and analyze data about the research question. It focused on design of the study, population, sampling technique, data collection and data analysis.

3.1 Research Design

This is a planned analytical approach integrating in a logical way the different elements involved in the collecting and analyzing data, to ensure that the study problem is comprehensively probed. It aids the researcher to come up with a plan to accurately assess the connection between the independent and dependent variables (Cooper & Schindler, 2011). The design use for this study was a cross sectional survey that allowed the researcher to describe the phenomena or relationship under investigation at a particular point in time (Cooper & Schindler, 2011). This design made it possible to collect the data and assess the independent and dependent variables and how they are linked.

To solve the study research problem, a cross sectional survey design was utilized since data was collected at a particular moment in time across managers at I & M Bank. The design was deemed appropriate as it offered the best opportunity to capture the population's descriptive data and quantitatively determined the relationship and came up with objective conclusions (Creswell 2014). Surveys have been successfully used in studies similar to the present study (Kombe 2023; Gachimu & Njuguna 2017).

3.4. Target Population

Population of interest were all managers who were under a contract of employment at I & M Bank, Limited. When the study was being done, there were 356 managers as presented in table

Table 3 1: Target Population

Department	Population
Divisional heads	4
General managers	17
Assistant general managers	35
Senior Managers	44
Managers	99
Assistant Managers	157
Total	356

Source: I&M Official Website, (2022)

3.4 Sampling Frame and Sampling Technique

The study adopted stratified sampling technique, where respondents was stratified according to various departments. The study adopted simple random sampling was used to identify managers to be interviewed. With the study choosing a confidence level of 95%, it adopted the Yamane's formula to obtain the size of the sample. Furthermore, stratified sampling was used to ascertain the number of managers per department as shown in table 2. Questionnaires was administered randomly in each department in strict observance of the target respondents.

Yamane's Formula:

$$n = \frac{N}{1 + Ne^2}$$

Where,

n is the sample size.

N is the population size.

e is the precision level.

Therefore, the sample size is calculated as follows:

$$n = 356 / (1 + 356(0.05^2))$$

$$n = 188$$

table 3.2: Sample Population

Department	Sample Population
Divisional heads	2
General managers	9
Assistant general managers	18
Senior Managers	23
Managers	52
Assistant Managers	84
Total	187

Source: Researcher, (2022)

3.5 Data Collection

The data collected was of primary and was gathered using a structured five (5) point Likert type scale questionnaire along the continuum of ranges from (1) – strongly disagree to (5) – strongly agree. The statements in the likert were either expressed as unfavorable or favorable attitude towards the object of the research interest (Cooper & Schindler 2014). Using the likert, the respondent indicated the level of agreement or disagreement with each statement. The study collection instrument was sectioned into two parts to capture pertinent information; Part A demographics of the organization, Part B perception of managers of the influence of strategic choice on performance. The primary data was gathered by either sending the questionnaires through email or the drop and pick method if circumstances allowed. The interviewed managers were best placed to answer the research question since they are knowledgeable given

their involvement in executive decisions and execution at the corporate, business and functional levels.

3.6 Data Analysis

Descriptive statistics was used to analyze the primary data. A one sample t – test statistics was used to calculate means standard deviations, and standard error mean. This provided the descriptive statistics for the data collected. Additionally, Sample t-test at test value 3 was employed to establish the differences in mean scores of continuous-level (interval). The one-sample t-test compared the mean of a single sample to a predetermined value (test value 3) to determine if the sample mean is significantly greater or less than that value. The significance (alpha) level was at .05.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS, AND DISCUSSION

4.1 Introduction

This section presents the analysis of data, findings and discussion on management perception of the influence of strategic choice on organizational performance of I &M Bank. The aim of this section is to address the objectives of the study by highlighting the response rate, demographic profile of the managers, analysis of data, study findings and the attendant discussion.

4.2 Response Rate

Out of the 187 questionnaires sent to the identified managers, 174 were completely filled and returned were 174. Thus, the rate of response was 92.5% which according to Wainaina (2016) survey reports that are intended to be generalized to all commercial banks should have a response from at least 80% as it demonstrates that the sample is a representation of all commercial banks in Kenya.

4.3 Demographic Information

4.3.1 Representation by Gender

Table 4 1: Respondents by Gender

	Frequency	Percent
Male	102	58.6
Female	72	41.4
Total	174	100.0

Source: Researcher, (2022)

The study set out profile representation by gender of the managers. According to Table 4.1, 41.4% of the managers were female and 58.6% of them were males. The gender of the

managers is very important in perception study since according to Eluwa & Eba (2015), studies have demonstrated gender differences in the strategy decision-making process.

4.3.2 Academic Qualification

Evaluating the academic background of the respondents was important as formal education of a management team is positively associated with strategic innovations.

Table 4 2: Level of Education of Respondents

		Frequency	Percent
Valid	Diploma	55	31.6
	Degree	91	52.3
	Master	20	11.5
	PhD	8	4.6
	Total	174	100.0

Source: Researcher, (2022)

Results indicate that diploma holders were 31.6 (8%), bachelor degree holders were 91 (52.3%), master degree holders were 20 (11.5%), and Ph.D. holders were 8 (4.6%). It indicates that the majority of the managers at I&M Bank bachelor's degree holders. Nonetheless, it is interesting to note that a significant percentage of the managers at the bank are master's and Ph.D. holders. Cumulatively, 16.1% of the managers hold a Master's or a Ph.D. degree. The researcher further noted that all the executive managers are Ph.D. holders and the each of the senior managers hold at least a master degree. Thus, it is prudent to propose that the management team at I&M Bank are well equipped with skills and competence to run the organization. In addition, the level of education has been shown to positively relate to innovation (Hambrick & Mason, 1984).

4.3.3 Years of Experience

The years the managers had been employed at I&M Bank was critical since it is associated with the managers' experience in formulating and executing strategies. The findings according to Table 4.3 are highlighted below:

Table 4.3: Years Employed

		Frequency	Percent
Valid	<1	22	12.6
	1-5	39	22.4
	6-10	54	31.0
	>10	59	33.9
	Total	174	100.0

Source: Researcher, (2022)

Results indicate that 59(33.9%) of the managers had worked for more than 10 years, 54(31%) for six to ten years, and 39 (22.4%) for one to five years, and 22(12.6%) for less than 1 year. The fact that about 70% of the managers had worked for more than five years for the company implies that they had good understanding of the organization and its strategy management cycle. A study by Finkelstein and Hambrick (2010) showed that tenure of executive teams significantly influenced strategic options and ultimately organizational performance.

4.3.4 The Management Levels

The researcher categorized the management team into top, middle, and first line managers. Strategy planning and execution decision requires management involvement as they are considered the owners of strategy. The top-level managers were composed of the divisional heads and general managers. Middle level managers were composed of assistant general managers and senior managers. First-line managers were composed of managers and their assistants. The findings according to Table 4.4. are documented as follows:

Table 4.4: Management level

	Frequency	Percent
Top level	14	8.0
Middle level	51	29.3
First liners	109	62.6
Total	174	100.0

Source: Researcher, (2022)

Results indicate that 14(8%) comprised of top -level managers, 51(29.3%), middle-level and 109(62.6%) composed of first-line managers. Therefore, the sampling technique provided a balanced population, representing the management population of the company. The majority of the managers in any organization are always first-line managers. First line managers are directly responsible for making sure that organizational strategic choices are implemented effectively.

4.4. Management Perception of the influence of Strategic Choice on Performance

The managers were asked how they perceived the success of iMara strategy in achieving high levels of performance. Statements representing management perceptions on the influence of strategic choices on performance of I & M Bank were measured using the likert-scale. The findings of the study are presented below.

4.4.1: Adoption of new technology

There were seven descriptive statements to measure management perception of the influence of technology adoption on different aspects of performance of I&M bank. These performance aspects included internal processes and efficiency, better customer capabilities, better security features, improved mobile banking and improved customer experience. The findings of each has been discussed below.

4.4.1.1 Perceived influence of Adoption of new technologies on internal processes and efficiency.

In order to realize optimal internal processes and efficient service delivery, I & M Bank adopted the iMara strategy by adoption of new technologies within the strategy implementation period. The research therefore sought to establish the perception of managers on the bank’s focus to adopt new technologies to improve internal processes and drive efficiency. Accordingly, the findings are indicated below.

Table 4 5: Perceived influence of Adoption of new technologies on internal processes and efficiency One-Sample statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p1	174	4.0690	.33290	.02524

Source: Researcher, 2022

On the aspect of I & M Bank had focused on adopting new technologies to optimize internal processes and drive efficiency, the number of responses for this statement were 174 with majority agreeing (mean: 4.0690, Std. Deviation 0.33290) that I&M Bank focus on adopting new technologies had resulted in the optimization of the internal processes and increased efficiency.

Table 4.6: Perceived influence of Adoption of new technologies on internal processes and efficiency One-Sample Test

Test Value = 3

	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p1	42.357	173	.000	1.06897	1.0192	1.1188

Findings showed that the p-value (.000) is less than .05 and since the t-value (42.357) is positive, it indicates that managers at I&M bank perceived that the strategic choice to adopt new technologies had enhanced internal process and achieved high levels of efficiency.

4.4.1.2 To give customers better capabilities to manage their accounts without physical visiting the bank.

The study set out to establish the managers' perceived view on the effect new digital technologies had on giving customers better ways to manage their accounts without visiting the bank physically. The table below documents that findings.

Table 4.7: Customers better capabilities to manage their accounts without physical visiting the bank One-Sample statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p2	174	4.4943	.50141	.03801

Source: Researcher, 2022

On the aspect of I & M Bank adopting new technologies is to give customers better capabilities to run their accounts without physically visiting the bank. The number of managers for this statement were 174 with majority agreeing (mean: 4.4943, S. D 0.50141) that management perception of I &M Bank on the influence of new technologies on giving customers better capabilities to manage their accounts without visiting the bank physically was positive.

Table 4.8: Customers better capabilities to manage their accounts without physical visiting the bank One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p2	39.310	173	.000	1.49425	1.4192	1.5693

Source: Researcher, 2022

The findings indicate that the p-value (.000) is less than .05 and since the t-value (39.310) is positive, it shows that majority of managers at I&M bank agree that the strategic choice to adopt new technologies had given customers better capabilities to manage their accounts without visiting the bank physically.

4.4.1.3 Perceived influence of Adoption of new technologies on Bank security features.

In order to ensure security of its systems, the research set out to establish the perception of managers on the bank’s focus to adopt to adopt new technologies to provide better security features. The table below documents the findings:

Table 4.9: Perceived influence of Adoption of new technologies on Bank security features One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p3	174	4.6322	.48360	.03666

Source: Researcher, 2022

On the aspect of I & M Bank has focused on adopting new technologies to provide better security features, the number of responses for this statement were 174 with majority agreeing

(mean: 4.6322, S. D. 0.48360) that I & M Bank had focused on adopting new technologies to ensure security of its systems.

Table 4.10: Perceived influence of Adoption of new technologies on Bank security features One-Sample Test

One-Sample Test						
Test Value = 3						
95% Confidence Interval of the Difference						
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
p3	44.520	173	.000	1.63218	1.5598	1.7045

Source: Researcher, 2022

Since the t-value (44.520) is greater than 2 and is positive, the study findings indicate that majority of managers at I&M bank perceived the influence of strategic choice to adopt new technologies has enhanced security features of its systems was positive and significant.

4.4.1.4 Perceived influence of Adoption of new technologies on customer solutions.

In order to provide the right customer solutions, this research set out to find out the perception of managers on the bank’s focus to adopt new technologies to improve and provide the right customer solutions. The table below documents the findings;

Table 4.11: Perceived influence of Adoption of new technologies on customer solutions One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p4	174	3.9368	.24406	.01850

Source: Researcher, 2022

On the issue of I & M Bank has focused on adopting new technologies to provide the right customer solutions, majority of the managers agreed (mean 3.9368, S.D. 0.24406) that I&M Bank had adopted new technologies to ensure security of its systems.

Table 4.12: Perceived influence of Adoption of new technologies on customer solutions One-Sample Test

One-Sample Test						
Test Value = 3						
	t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p4	50.631	173	.000	.93678	.9003	.9733

Source: Researcher, 2022

Since the t-value (50.631) is greater than 2 and is positive, the study findings indicates that majority of managers at I&M bank perceived that I & M Bank strategic choice to adopt new technologies has improved and provided the right customer solutions.

4.4.1.5 Perceived influence of Adoption of new technologies on employee efficiency and effectiveness.

In order to increase employee efficiency and effectiveness, I & M Bank implemented the iMara strategy through adoption of new technologies. This study therefore set out to find out the management perception of the influence of new technologies on increasing employee efficiency and effectiveness. Findings are documented in the table below.

Table 4.13: Perceived influence of Adoption of new technologies on employee efficiency and effectiveness One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p5	174	4.4368	.49742	.03771

Source: Researcher, 2022

On the aspect of I & M Bank adopting new technologies to increase employee efficiency and effectiveness, majority of the managers agreed (mean: 4.4368, S.D. 0.49742) that I&M Bank had adopted new technologies to increase employee efficiency and effectiveness.

Table 4.14: Perceived influence of Adoption of new technologies on employee efficiency and effectiveness One-Sample Test

One-Sample Test						
Test Value = 3						
95% Confidence Interval of the Difference						
	T	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
p5	38.102	173	.000	1.43678	1.3624	1.5112

Source: Researcher, 2022

Since the t-value (38.102) is greater than 2 and is positive, the study findings indicate that majority of managers at I&M bank agreed that the strategic choice of adopting new technologies had increased employee efficiency and effectiveness.

4.4.1.6 Perceived influence of Adoption of new technologies on mobile banking services.

In order to improve customer experience, I & M Bank through the iMara strategy planned to improve its mobile banking services. This study therefore set out establish the manager’s perceived view of mobile banking services on enhancing customer experience. The table below documents the findings:

Table 4.15: Perceived influence of Adoption of new technologies on mobile banking services One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p6	174	4.4310	.57235	.04339

Source: Researcher, 2022

On the aspect of I &M Bank has focused on improving its mobile banking services to improve customer experience most manager’s agreed (mean: 4.4310, S.D. 0.57235) that I&M Bank has focused on improving mobile banking technology to increase customer experience.

Table 4.16: Perceived influence of Adoption of new technologies on mobile banking services One-Sample Test

One-Sample Test						
Test Value = 3						
	t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p6	32.981	173	.000	1.43103	1.3454	1.5167

Source: Researcher, 2022

Since the t-value (32.981) is greater than 2 and is positive, the study findings indicates that majority of managers at I&M bank agree that the strategic choice of mobile banking technology has increased customer experience.

4.4.1.7 Perceived influence of Adoption of new technologies on internet banking services.

In order to improve customer satisfaction I & M Bank iMara strategy planned to improve its internet banking services. This study therefore set out to find manager’s perceived view of internet banking services in enhancing customer satisfaction. The table below documents the findings:

Table 4.17: Perceived influence of Adoption of new technologies on internet banking services One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p7	174	4.6782	.46853	.03552

Source: Researcher, 2022

On the aspect of I & M Bank has focused on improving its internet banking services to improve customer satisfaction, majority of the respondents agreed (mean: 4.6782, S.D. 0.46853) that I & M Bank has focused on improving internet banking technology to increase customer satisfaction.

Table 4.18: Perceived influence of Adoption of new technologies on internet banking services One-Sample Test

One-Sample Test						
Test Value = 3						
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p7	47.247	173	.000	1.67816	1.6081	1.7483

Source: Researcher, 2022

Since the t-value (47.247) is greater than 2 and is positive, the study findings indicate that most of the managers at I&M bank agreed that the strategic choice of internet banking technology has increased customer satisfaction.

4.4.2: Improving Internal Customer Management Systems

There were three (3) descriptive statements to measure perceived influence of internal customer management systems on different aspects of performance of I & M bank. These performance aspects included timely delivery of services, efficient communication with customers, and self-managed personal accounts. The findings of each has been discussed below.

4.4.2.1 Perceived influence of improving internal customer management systems on timely delivery of services.

In order to deliver timely services, I & M Bank’s iMara strategy focused on improving its internal customer management systems. This study therefore sought to find out the perception of managers have on the influence of its internal customer management systems on the timely delivery of its services. The table below documents the findings:

Table 4.19: Perceived influence of improving internal customer management systems on timely delivery of services One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p8	174	4.2874	.45384	.03441

Source: Researcher, 2022

On the issue of I & M Bank implementing its internal customer management systems to improve on the timely delivery of services, most of the manager's agreed (mean: 4.2874, Std. 0.46853) that I&M Bank had focused on improving internal customer management systems on timely delivery of services.

Table 4.20: Perceived influence of improving internal customer management systems on timely delivery of services One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p8	37.418	173	.000	1.28736	1.2194	1.3553

Source: Researcher, 2022

Since the t-value (37.418) is greater than 2 and is positive, the study findings indicate that majority of managers at I&M bank agreed that the strategic choice of improving internal customer management systems had enhanced timely delivery of services

4.4.2.2 Perceived influence of customer service center on efficient communication with customers.

In order to ensure efficient communication with customers, I & M Bank adopted iMara strategy to improve its internal customer management systems. This study set out to find manager's perceived view of customer service center to enhance efficient communication with customers.

The table below documents the findings:

Table 4.21: Perceived influence of customer service center on efficient communication with customers One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p9	174	4.9770	.15030	.01139

Source: Researcher, 2022

On the aspect of I & M Bank to re-engineer its customer service center to enhance efficient communication with customers, most of the manager’s agreed (mean: 4.9770, S.D. 0.15030) that I&M Bank had re-engineered its customer service center to enhance efficient communication with customers.

Table 4.22: Perceived influence of customer service center on efficient communication with customers One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p9	173.511	173	.000	1.97701	1.9545	1.9995

Source: Researcher, 2022

Since the t-value (173.418) is greater than 2 and is positive, the study findings indicate that majority of managers at I&M bank agreed that the re-engineering its customer service center as a strategic choice had enhanced efficient communication with customers.

4.4.2.3 Perceived influence of equipping customers to self-manage their personal accounts.

In order to ensure that customers can self-manage their account, I & M Bank’s iMara strategy planned to equip it customers with relevant equipment. This study set out to find manager’s perceived view of better equipped customers to self-manage their personal accounts. The table below puts forward the findings.

Table 4.23: Perceived influence of equipping customers to self-manage their personal accounts One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p10	174	4.2011	.50409	.03821

Source: Researcher, 2022

On the aspect of I & M Bank’s customers are better equipped to self-manage their personal accounts, most of the manager’s agreed (mean: 4.2011, S.D 0.50409) that I&M Bank had equipped its customer to self-manage their accounts.

Table 4.24: Perceived influence of equipping customers to self-manage their personal accounts One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p10	31.432	173	.000	1.20115	1.1257	1.2766

Source: Researcher, 2022

Since the t-value (31.432) is greater than 2 and is positive, the study findings indicate that majority of managers at I&M bank agree that the strategic choice to better equip customers has enabled customers to self-manage their personal accounts.

4.4.3: Reshaping the Workforce

There were five (5) descriptive statements to measure perceived influence of reshaping workforce on different aspects of performance of I & M bank. The performance aspects included workforce culture, innovative workforce, career development and growth, inclusivity and competitive mindset. The findings of each has been discussed below.

4.4.3.1 Perceived influence of Workforce Culture on Brand Identity in the Market.

In order to realize a positive brand identity, I & M iMara strategy focused on re-shaping the workforce culture. This study therefore set out to establish the manager’s perceived view of reshaping the workforce culture to enhance brand identity of I & M bank. The table below puts forward the following findings:

Table 4.25: Perceived influence of Workforce Culture on Brand Identity in the Market One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p11	174	4.8448	.36311	.02753

Source: Researcher, 2022

On the aspect of I & M Bank has focused on reshaping the workforce culture to positively impact its brand identity in the market, most of the manager’s agreed (mean: 4.8448, S.D 0.36311) that reshaping workforce culture has positively impacted I&M brand identity.

Table 4.26: Perceived influence of Workforce Culture on Brand Identity in the Market One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p11	67.017	173	.000	1.84483	1.7905	1.8992

Source: Researcher, 2022

Since the t-value (67.017) is greater than 2 and is positive, the study findings indicate that majority of managers at I&M bank agree that the strategic choice to reshape workforce culture has enabled the bank to realize positive brand image.

4.4.3.2 Perceived influence of innovative culture on growth.

In order to grow, I & M Bank iMara strategy focused on encouraging innovative culture. This study therefore set out to establish the manager’s perceived view of innovative workforce culture on the growth of I & M bank. The findings are presented in the table below.

Table 4.27: Perceived influence of innovative culture on growth One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p12	174	4.3678	1.03259	.07828

Source: Researcher, 2022

On the aspect of I & M Bank management encourages an innovative culture to drive growth, most managers agreed (mean: 4.3678, Std. 1.03259) that encouraging innovative workforce culture had led to growth of I&M bank.

Table 4.28: Perceived influence of innovative culture on growth One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p12	17.473	173	.000	1.36782	1.2133	1.5223

Source: Researcher, 2022

Since the t-value (17.473) is greater than 2 and is positive, the study findings indicates that most of the managers at I&M bank agree that the strategic choice to encourage innovative workforce culture has enabled the bank to realize positive growth.

4.4.3.3 Perceived influence of internal workplace competition and academic progress on employees’ career development and growth.

In order to achieve the objectives of the bank, employee must be competitive and with the right skills and competencies. In order to achieve this, the iMara strategy focused on encouraging and enhancing employees’ career development and growth. This study therefore set out to find manager’s perceived view of employee’s career development and growth on enhancing internal workforce competition. The table below puts forth the following findings:

Table 4.29: Perceived influence of internal workplace competition and academic progress on employees’ career development and growth One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p13	174	4.9598	.19707	.01494

Source: Researcher, 2022

With regards to the statement that I & M Bank encourages and enhances employees’ career development and growth by encouraging internal workplace competition and academic progress, most of the manager’s agreed (mean: 4.9598, S.D 0.19707) that encouraging and enhancing employees’ career development and growth has led to competitive bank employees.

Table 4 30: Perceived influence of internal workplace competition and academic progress on employees’ career development and growth One-Sample Statistics

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p13	131.181	173	.000	1.95977	1.9303	1.9893

Source: Researcher, 2022

Since the t-value (131.181) is greater than 2 and is positive, the study findings indicates that most of the managers at I&M bank agree that the strategic choice to encourages and enhances employees’ career development and growth has enabled the bank to engage competitive workforce.

4.4.3.4 Perceived influence of open-door management system on employee inclusivity

To achieve the objectives of the bank, employee must feel included in the management of the affairs of the bank. In order to achieve this, the iMara strategy focused on encouraging and enhancing inclusivity through an open-door management system where employees are free to openly air their ideas, criticism, and opinion. This study therefore set out to establish manager’s perceived view of open-door management system on employee inclusivity in the affairs of the company. The table below puts forth the following findings:

Table 4.31: Perceived influence of open-door management system on employee inclusivity One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p14	174	4.3851	.54402	.04124

Source: Researcher, 2022

On the aspect that I & M Bank management encourages and enhances employee inclusivity through an open-door management system, allowing staff to freely and openly air their ideas, criticisms, and opinions, the analysis showed that most of manager’s (mean: 4.3851, S.D. 0.54402) agreed that adopting open-door management system where employees are free to openly air their ideas, criticism, and opinion had led to employees feeling included in the management of the affairs of the bank.

Table 4.32: Perceived influence of open-door management system on employee inclusivity

One-Sample Test						
One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p14	33.583	173	.000	1.38506	1.3037	1.4665

Source: Researcher, 2022

Since the t-value (33.583) is greater than 2 and is positive, the study findings indicate that most of the managers at I&M bank agree that the strategic choice of adopting open-door management system where employees are free to openly air their ideas, criticism, and opinion has led to employees feeling included in the management of the affairs of the bank.

4.4.3.5 Perceived influence of competitive mindset and ample work environment on employees’ potential.

In order for the bank employees to realize their full potential, the iMara strategy focused on instilling a competitive mindset within the workforce by providing ample work environment. This study set out to find out the perception of managers on the bank’s focus to help employees realize their full potential by instill a competitive mindset within the workforce and providing ample work environment. The table below puts forth the following findings:

Table 4.32: Perceived influence of competitive mindset and ample work environment on employees’ potential One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p15	174	4.6782	.46853	.03552

Source: Researcher, 2022

On the aspect of I & M Bank management encourages an innovative culture to drive growth, the number of responses for this statement were 174 with most managers agreeing (mean: 4.6782, S.D 0.46853) that instilling a competitive mindset within the workforce and providing ample work environment had led to the bank employees realizing their full potential.

Table 4.33: Perceived influence of competitive mindset and ample work environment on employees’ potential One-Sample Test

One-Sample Test						
Test Value = 3						
95% Confidence Interval of the Difference						
	T	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
p15	47.247	173	.000	1.67816	1.6081	1.7483

Source: Researcher, 2022

Since the t-value (47.247) is greater than 2 and is positive, the study findings indicates that most of the managers at I&M bank agree that the strategic choice to instill a competitive mindset within the workforce and providing ample work environment has led to the bank employees realizing their full potential.

4.4.4: Product Diversification and Improved Market share

There were five (5) descriptive statements to measure perceived influence of product diversification on different aspects of performance of I & M bank. These performance aspects included selling the present products to new markets, selling present products to present markets, selling new products to new markets and selling new products to present markets. The table below puts forward the following findings:

4.4.4.1 Perceived Influence of Selling Current Products to New Markets

In order to improve market share, the iMara strategic choice was to diversify its products by selling current products to new markets. This study therefore set out to find out the perception of managers on the bank’s focus to diversify its products by selling the present products to new markets. The table below submits the following findings:

Table 4.34: Perceived Influence of Selling Current Products to New Markets One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p16	174	4.4943	.50141	.03801

Source: Researcher, 2022

On the statement that I & M Bank has improved product diversification by selling current products in new markets, most of the managers agreed (mean: 4.4943, Std. 0.50141) that I&M Bank focus on product diversification by selling current products in new markets had enhanced its market share.

Table 4.35: Perceived Influence of Selling Current Products to New Markets One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p16	39.310	173	.000	1.49425	1.4192	1.5693

Source: Researcher, 2022

Since the t-value (39.310) is greater than 2 and is positive, the study findings indicates that most of the managers at I&M bank perceived that the strategic choice of product diversification by selling current products in new markets has enhanced the bank’s market share.

4.4.4.2 Perceived Influence of selling current products to current markets

To improve market share, one of iMara’s strategic objective was to diversify its products by selling current products to current markets. This study set out to find out the perception of managers on the bank’s focus to diversify its products by selling current products to current markets.

Table 4.36: Perceived Influence of selling current products to current markets One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p17	174	4.3621	.66363	.05031

Source: Researcher, (2022)

Regarding the statement that I & M Bank has improved product diversification by selling current products in current markets, most of the managers agreed (mean: 4.4943, S.D 0.50141) that I&M Bank focus on improved product diversification by selling current products in current markets had enhanced its market share.

Table 4.37: Perceived Influence of selling current products to current markets One-Sample Test

One-Sample Test						
	Test Value = 3					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p17	27.074	173	.000	1.36207	1.2628	1.4614

Source: Researcher, 2022

Since the t-value (39.310) is greater than 2 and is positive, the study findings indicates that most of the managers at I&M bank agree that the strategic choice to improve product diversification by selling current products in current markets had enhanced market share.

4.4.4.3 Perceived Influence of selling new products to new markets

In order to improve market share, I & M Bank, the iMara strategy included diversifying its products by selling new products to new markets. This study therefore set out to find out the perception of managers on the bank’s focus to diversify its products by selling new products to new markets. The table below submits the following findings:

Table 4.38: Perceived Influence of selling new products to new markets One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p18	174	4.3966	.49059	.03719

Source: Researcher, (2022)

On the issue of I & M Bank has improved product diversification by selling new products in new markets, the managers agreed (mean: 4.3996, S.D 0.49059) that I&M Bank focus on improved product diversification by selling current products in current markets had enhanced its market share.

Table 4.39: Perceived Influence of selling new products to new markets One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p18	37.550	173	.000	1.39655	1.3231	1.4700

Source: Researcher, 2022

Since the t-value (27.074) is greater than 2 and is positive, the study findings indicate that manager’s perception at I&M was that strategic choice of product diversification had enhanced the bank’s market share.

4.4.4.4 Perceived Influence of selling new products to current markets

In order to improve market share, iMara strategy planned to diversify its products by selling new products to current markets. This study therefore sought to find out the perception of managers on the bank's focus to diversify its products by selling new products to current markets. The table below submits the following findings:

Table 4.40: Perceived Influence of selling new products to new markets One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p19	174	4.9023	.29777	.02257

Source: Researcher, (2022)

On the aspect that I & M Bank has improved product diversification by selling new products in current markets, most of the managers agreed (mean: 4.9023, S.D 0.29777) that I & M Bank focus on improved product diversification by selling current products in current markets had enhanced its market share.

Table 4.41: Perceived Influence of selling new products to new markets One-Sample Test

One-Sample Test						
Test Value = 3						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p19	84.271	173	.000	1.90230	1.8577	1.9469

Source: Researcher, 2022

Since the t-value (84.271) is greater than 2 and is positive, the study findings indicates that most of the managers at I&M bank agreed that the strategic choice to improve product diversification by selling new products in current markets has enhance market share.

4.4.5: Improved Revenue, Customer Numbers and Brand Awareness

There were three (3) descriptive statements to measure perception of I & M bank managers on different aspects of performance. These performance aspects included growth in revenue, customer numbers and brand awareness. The findings of each has been presented below.

4.4.5.1 Perception on Growth in Revenue.

This study set out to establish the perception of managers on whether there was growth in the bank’s revenue as a result of the strategic choices made. The table below puts forward the following findings:

Table 4.42: Perception on Growth in Revenue One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p21	174	3.9655	.18299	.01387

Source: Researcher, (2022)

With regards to the statement that over the past five years, I & M Bank’s revenue has been growing steadily, majority of the managers were of the view (mean: 3.9655, Std. 0.18299) that I&M Bank’s revenue had been increasing steadily.

Table 4.43: Perception on Growth in Revenue One-Sample Test

One-Sample Test						
Test Value = 3						
	t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p21	69.599	173	.000	.96552	.9381	.9929

Source: Researcher, (2022)

Since the t-value (69.599) is positive, the study findings indicate that manager’s perception at I & M bank was that the bank’s revenue had been rising steadily.

4.4.5.2 Perception on Growth in Number of transactions.

This study set out to establish the perception of managers on the growth in number of transactions of the bank as a result of implementing the strategic choices. The table below puts forth the following findings:

Table 4.44: Perception on Growth in Number of transactions One-Sample Test

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p22	174	3.9713	.16754	.01270

Source: Researcher, (2022)

Regarding the statement that over the past five years, I&M Bank’s revenue has been growing steadily, majority of the respondents agreed (mean: 3.9713, S.D 0.16754) that I&M Bank’s number of customer transactions had been increasing steadily. The “One-Sample Statistics” above shows descriptive statistics for the sample, including the mean being compared to the test value 3.

Table 4.45: Perception on Growth in Number of transactions One-Sample Test

One-Sample Test						
Test Value = 3						
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p22	76.468	173	.000	.97126	.9462	.9963

Source: Researcher, (2022)

Since the t-value (76.468) is positive, the study findings indicate that few managers at I&M bank agree that the banks number of customer transaction have been rising steadily.

4.4.5.3 Perception on Profitability Performance.

This study set out to establish the perception of managers on the profitability performance of the bank. The table below puts forth the following findings:

Table 4.46: Perception on Profitability Performance One-Sample statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p23	174	4.5172	.50114	.03799

Source: Researcher, (2022)

Regarding the statement that over the past five years, I & M Bank’s revenue has been growing steadily, the managers agreed (mean: 4.5172, S.D. 0.50114) that I & M Bank’s profits had been increasing steadily. The result of the findings is provided:

Table 4.47: Perception on Profitability Performance One-Sample Test

One-Sample Test						
Test Value = 3						
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p23	39.936	173	.000	1.51724	1.4423	1.5922

Source: Researcher, (2022)

Since the t-value (39.936) is positive, the study findings indicate that majority manager’s perception at I & M bank was that as a result of the implementation of the strategic choices driven by the iMara strategy, the banks profit had been rising steadily.

4.4.5.4 Perception on Growth in Number of Customers.

This study set out to establish the perception of managers on growth in number of customers of the bank. The findings are presented in the table below.

Table 4.48: Perception on Growth in Number of Customers One-Sample statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p24	174	4.6322	.48360	.03666

Source: Researcher, (2022)

On the aspect that over the past five years, the bank’s customer base has been growing steadily, the respondents majorly agreed (mean: 4.6322, S.D 0.48360) that I & M Bank’s number of customer had been increasing steadily. The table below puts forth the following findings:

Table 4.49: Perception on Growth in Number of Customers One-Sample Test

One-Sample Test						
Test Value = 3						
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p24	44.520	173	.000	1.63218	1.5598	1.7045

Source: Researcher, (2022)

Since the t-value (44.520) is positive, the study findings indicate that majority of managers at I&M bank perceived that the iMara strategy had enhanced the number of customers on a daily basis.

4.4.5.5 Perception on Growth in Brand Awareness.

This study set out to establish the perception of managers on growth in brand awareness of the bank. The table below submits the following findings:

Table 4.50: Perception on Growth in Brand Awareness One-Sample statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p25	174	4.6782	.46853	.03552

Source: Researcher, (2022)

On the issue regarding the statement that over the past five years, I & M Bank brand awareness has been growing steadily, the analysis showed that majority of the respondents (mean: 4.6782, S.D 0.46853) confirmed that I&M Bank’s brand awareness had been increasing steadily. The results of the findings are submitted in the table below;

Table 4.51: Perception on Growth in Brand Awareness One-Sample Test

One-Sample Test						
Test Value = 3						
95% Confidence Interval of the Difference						
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
p25	47.247	173	.000	1.67816	1.6081	1.7483

Source: Researcher, (2022)

Since the t-value (47.247) is positive, the study findings indicate that majority of managers at I&M bank agree that the banks brand awareness has been rising steadily.

4.4.6: Better Customer Service

There were three (3) descriptive statements to measure perception of I& M bank managers on different aspects of customer service. These performance aspects included enhanced service delivery, timely resolution of customer complaints and positive customer reviews. The findings of each has been presented below.

4.4.6.1 Perceived influence of active customer help desk on service delivery.

In order to realize better service delivery, iMara strategy planned to establish active customer help desk. This study therefore sought to find out perceived influence of active customer help desk on service delivery. The findings are presented in the table below.

Table 4.52: Perceived influence of active customer help desk on service delivery One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p26	174	4.4943	.50141	.03801

Source: Researcher, (2022)

With regard to the statement that I & M has established an always active customer help desk, which has enhanced better service delivery, majority of the respondents agreed (mean: 4.4943, S.D 0.50141) that by establishing an active customer help desk, the banks delivery of services had drastically improved. The “One-Sample Statistics” section shows descriptive statistics for the sample, including the mean being compared to the test value 3.

In order to confirm if the mean of the sample equal to the test value of 3, a null hypothesis was formulated as: the mean of the sample is equal to the test value 3 and the significance (alpha) level to .05. The result of the hypothesis test is given as in the table below;

Table 4.53: Perceived influence of active customer help desk on service delivery One-Sample

Test						
One-Sample Test						
Test Value = 3						
	t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p26	39.310	173	.000	1.49425	1.4192	1.5693

Source: Researcher, (2022)

Since the t-value (39.310) is positive, the study findings indicate that managers at I&M bank agree that the strategic choice to establish active customer help desk has resulted into better service delivery.

4.4.6.2 Perceived influence of active customer help desk on timely resolution of customer complaints.

In order to customer complaints in a timely manner, iMara strategy planned to establish active customer help desk. This study therefore sought to find out perceived influence of active customer help desk on timely resolution of customer complaints. The findings are presented in the table below.

Table 4.54: Perceived influence of active customer help desk on timely resolution of customer complaints One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p27	174	4.4943	.50141	.03801

Source: Researcher, (2022)

Regarding the statement that there is always active customer help desk that has enhanced timely resolution of customer complaints, majority of the respondents agreed (mean: 4.4943, S.D 0.50141) that I & M Bank establishing an active customer help desk had resulted into timely resolution of customer complaints. The “One-Sample Statistics” section shows descriptive statistics for the sample, including the mean being compared to the test value 3. The result of the hypothesis test are given as in the table below;

Table 4.55: Perceived influence of active customer help desk on timely resolution of customer complaints One-Sample Test

One-Sample Test						
Test Value = 3						
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p27	39.310	173	.000	1.49425	1.4192	1.5693

Source: Researcher, (2022)

Since the t-value (39.310) is positive, the study findings indicate that managers at I&M bank agree that the strategic choice to establish active customer help desk has resulted into timely resolution of customer complaints.

4.4.5.1 Perception on Positive Customer Reviews.

This study sought to find out the perception of managers on customer reviews of the bank. The findings are presented in the table below.

Table 4.56: Perception on Positive Customer Reviews One-Sample Statistics

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
p29	174	4.6782	.46853	.03552

Source: Researcher, (2022)

On the aspect that on an overall basis, I & M Bank has witnessed a steady growth in positive customer review, majority of the respondents agreed (mean: 4.6782, S.D 0.46853) that I & M Bank’s had increasingly receive positive customer reviews as a result of its strategic options anchored on it iMara strategy. The “One-Sample Statistics” above shows descriptive statistics for the sample, including the mean being compared to the test value 3. The result of the hypothesis test Figure 4 1is given as in the table below;

Table 4.57: Perception on Positive customer Reviews One-Sample Test

One-Sample Test						
Test Value = 3						
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
p29	47.247	173	.000	1.67816	1.6081	1.7483

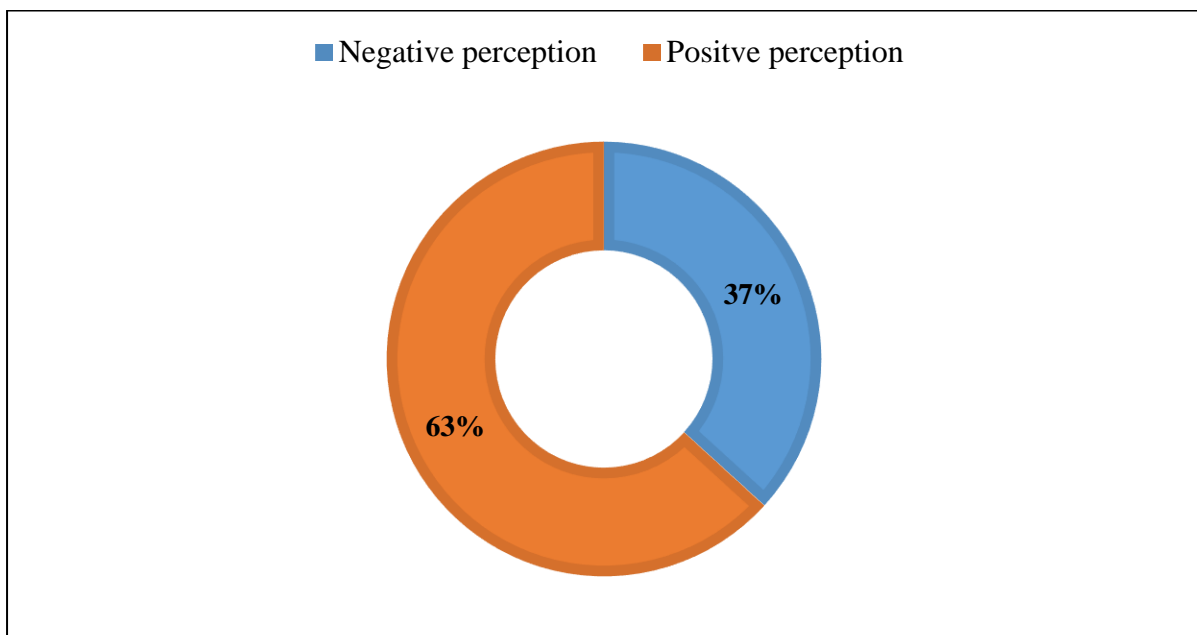
Source: Researcher, (2022)

Since the t-value (69.599) is positive, the study findings indicate that majority of the managers at I&M bank perceived that the implementation of the iMara strategic choices had seen the bank record increased positive reviews.

4.4.7 Overall Perception

From the results presented above, the study has found out that management perception on the influence of strategic choice on I & M Bank performance was positive. In order to establish the level of the positive perception, an overall index was calculated and the results are presented below.

Fig. 4.1: Overall Perception Index



Source: Researcher, (2022)

The mean of the indices (4.47) was used as the cutoff point in categorizing the overall perception. Values of 4.47 and higher were categorized as positive perception while values below the mean were categorized as negative perception. From the analysis, 63% or more than

half the managers believed that the bank's decisions on the strategic choices made through the iMara strategy had a positive and significant influence on I &M's performance.

4.5 Discussion of Findings

This study set out to establish management perception of the role of strategic choice on performance at I & M Bank. Specifically, the study explored the influence of iMara strategic choices on I & M Bank's performance. The study findings established that managers at I & M Bank had a positive perception towards the roles strategic choices played in influencing the banks performance. These study findings are supported by the Strategic Choice theory, Upper Echelon theory and Constructivist theory of Perception which argue that organizational performance mostly influenced the choices which top managers make through proper interpretation of the environment. The study findings were similar to Kamau et al., (2018) who focused on strategic choices of commercial banks in Kenya that indicated that adoption of appropriate strategic choices including strategic alliances, mergers and acquisitions had positive influence on performance. This study finding showed that the various strategic choices adopted by I & M Bank including new digital technologies, internal customer management systems, reshaping the workforce, product diversification and customer centricity were critical to the banks performance.

According to Njenga (2019), the link between technological innovations and performance of commercial banks in Kenya showed that technological innovations simplified bank operations and improved performance. The study findings were further supported by Ivanova & Minutolo (2023) on the influence of strategic choice and firm performance during COVID-19 established that diversification strategy was key to surviving a pandemic crisis and ultimately superior performance. Study conducted by Belkhaoui, Lakhal, Lakhal & Hellara (2014) on strategic choices and bank performance, established that diversification strategy positively influenced bank performance. Sarpong, & Tandoh, (2015) on strategic choices and competitive advantage at Ecobank Ghana limited, indicated that adopting technology and skill upgrade of staff were

critical in establishing a competitive advantage. The study results were collaborated by Tang, Rasool, Sarmad, Ahmed, & Ahmed, (2022) whose objective was to determine the influence of strategic attributes on organizational performance in Pakistan's banking sector established that strategic positioning, a strong organizational culture, internal marketing strategies and organizational commitment, were the most significant.

Overall, the study finding indicated a management perception index of 63%, implying a positive and a statistically significant influence of strategic choices adopted on I & M banks performance indicators of profitability, number of customer transactions, growth in number of customers, growth in brand awareness and improved customer service quality. These findings are in tandem with Abdi & Mang'ana, (2022) study on strategic choices and performance of commercial banks listed at the Nairobi Securities Exchange (NSE) which indicated that when effectively implemented, strategic choices could yield a significant increase in the overall performance. Specifically, the study findings established that adoption of new technology enabled I & M Bank to optimize internal processes and enhanced operational efficiency, while the implementation of an internal customer management system enhanced timely delivery of services, efficient communication with customers, and self-managed personal accounts. In addition, reshaping the workforce enhanced a culture of innovativeness, career development and growth, inclusivity and competitive mindset, while product diversification increased sales performance.

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATION

5.1 Introduction

This section shows summary of the study findings, conclusion and recommendations for policy and practice. Additionally, limitations of the study are identified and areas for further studies suggested.

5.2 Summary of Findings

This study found out that management perception of the influence of strategic choice on I & M Bank's performance was positive and significant. Hence, there was a strong positive perception of the iMara strategy with the attendant strategic choices of new digital technology, internal customer management systems, workforce reshaping, diversification and customer centricity, helping the bank improve performance. Specifically, the study findings indicated that managers positively perceived that the strategic choices enabled I & M Bank to optimize its internal processes and efficiency in service delivery, increased customer satisfaction, timely delivery of services, efficient communication with customers, self-managed personal accounts, enhanced workforce culture and innovativeness. The overall management perception index of regarding management perception, strategic choice and performance of I & M Bank was 63%, implying a positive and significant relationship.

5.2 Conclusion

The study objective set out to determine management perception on the influence of strategic choice on performance of I & M Bank. The study findings established that manager's perception was not only positive but statistically significant on most of the performance

measures. The results of the t – test revealed that the manager’s perception was positive and significant. When each of the four strategic choice indicators were analyzed using the t – test, adoption of new workforce reshaping was perceived by managers as the most significant predictor of bank performance (mean of 4.8 and t – value of 67.017). Management perception of the influence of the other the three strategic choices including new technology, product diversification and internal customer management system were also found to positively contribute to I & M Bank positive performance.

5.3 Recommendations for Practice and Policy

This study recommends that I & M Bank should continue implementing the iMara strategic choices as they were perceived to improve performance. The continued implementation of the iMara strategy will drive business growth, build resilience and optimize operations, key functions in the bank’s operations and performance. The study recommends that the continued implementation of the strategy would ensure I & M Bank to benefit from optimized internal processes and improved efficiencies, brand reputation, increased sales revenues, growth in number of customers, increased market share and profitability. However, this study recommends that I & M Bank must put more emphasis on the internal customer management system and on product/market diversification so as to meet the customer needs efficiently even as the performance increases due to workforce reshaping and adoption of new technologies

The study recommends that since management perception of workforce reshaping is the most significant in influencing I & M Bank’s performance, the bank should set aside funds for staff training to enhance capacity building, career development and growth, and embed a culture of innovation. Further, there is need to undertake a review of the rewards system such that staff can gain more on areas of exceptional performance, innovation as well as leadership. The study

further recommends that I & M Bank further invest in new digital technologies and leverage them in its daily operations to enhance its efficiency through cost savings, a key input in the commercial banking sector. However, the technologies adopted must be aligned with the bank's iMara strategy to avoid the challenges of high expenses and incompatible software which can lead to losses.

5.5 Limitations of the Study

This study faced a number of limitations including its reliance on the managers' subjective responses which would have biased the findings the study. The study investigated management perception, strategic choice and performance of I&M bank and the findings cannot apply to other banking institutions. This study did not comprehensively use all the dimensions of strategic choices and the findings could not be compared with other study findings that adopted different strategic choices. While the research established the positive view of I & M Bank's strategic options and their role in influencing performance, it did address the mechanisms on how the different strategic choices are formulated and implemented. The research only focused on management perception at I & M Bank, and the findings may could not have been the reflection of the entire banking industry.

5.6 Suggestions for future Research

The researcher suggests that since the study focused on a limited number of strategic choices, future researchers could look at other dimensions of strategic choice that were not included in this study to investigate if they shall indicate similar or varied findings. Scholars should undertake a similar study by studying all commercial banks in Kenya to establish if the manager's perception shall be the similar to this study or different. Moreover, researchers could

do a multi case study of the top tier commercial banks and establish whether the findings of this study reasonably compares with industry view.

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APPENDICES

Appendix I: Research Questionnaire

Kindly answer the following questionnaire by ticking in the appropriate box.

Section A: Demographic Information

1. What is your gender?

Female Male

2. Your age bracket (Tick whichever appropriate)

10-25 Years 25-35 35-45 Over 45

3. What is your highest education level? (Tick as applicable)

Certificate Diploma Bachelors' degree Master

PhD

4. Years of service/working period for I&M Bank (Tick as applicable)

Less than 1 year 6-10 years

1-5 years Over 10 years

5. Managerial level at I&M Bank

First-line Middle level senior level

Section B: Perceived influence of Strategic Choice on Performance

The following statements describe your perception of the influence of strategic choice on the performance of I&M Bank. Please indicate (by ticking as appropriate) the extent to which you agree with each statement. Use the key below to tick as appropriate.

Use a scale of 1-5 where 1= Strongly Disagree 2= Disagree 3= Neutral, 4= Agree and 5= Strongly Agree.

No.	Descriptive Statement	1	2	3	4	5
1	I&M Bank has focused on adopting new technologies to optimize internal processes and drive efficiency.					
2	I&M Bank has focused on adopting new technologies to give customers better capabilities to manage their accounts without visiting the bank physically.					
3	I&M Bank has focused on adopting new technologies to provide better security features.					

4	I&M Bank has focused on adopting new technologies to provide the right customer solutions.					
5	I&M Bank has focused on adopting new technologies to increase employee efficiency and effectiveness.					
6	I&M Bank has focused on improving its mobile banking services to improve customer experience.					
7	I&M Bank has focused on improving its internet banking services to enhance customer satisfaction.					
8	I&M Bank has focused on improving its internal customer management systems to improve on timely delivery of services.					
9	I&M Bank has re-engineered its customer service center to enhance efficient communication with customers.					
10	I&M Bank Bank's customers are better equipped to self-manage their personal accounts.					
11	I&M Bank has focused on reshaping the workforce culture to positively impact its brand identity in the market.					
12	I&M Bank management encourages an innovative culture to drive growth.					
13	I&M Bank encourages and enhances employees' career development and growth by encouraging internal workplace competition and academic progress.					
14	I&M Bank management encourages and enhances inclusivity through an open-door management system where employees are free to openly air their ideas, criticism, and opinion.					
15	I&M Bank instills a competitive mindset within the workforce by providing ample work environment to help employees realize full potential.					
16	I&M Bank has improved product diversification by selling current products in new markets.					
17	I&M Bank has improved product diversification by targeting new customers in the current market with the current products.					
18	I&M Bank has improved product diversification by developing new products to sell to new markets.					
19	I&M Bank has improved on product diversification by developing new products to sell to the current market.					
20	I&M Bank has improved product diversification by improving current products to achieve better satisfaction on current and new customers					
21	Over the past five years, I&M Bank's revenue has been growing steadily.					
22	The number of transactions made per day has been growing steadily over the past five years.					
23	Over the as five years, the bank's profitability has been growing steadily.					
24	Over the as five years, the bank's customer base has been growing steadily.					
25	Over the past five years, I&M Bank brand awareness has been growing steadily.					

26	I&M has established an always active customer help desk, which has enhanced better service delivery.					
27	An always active customer help desk has enhanced timely resolution of customer complaints.					
28	An active customer desk has significantly reduced the number of customers visiting I&M bank in person.					
29	Overall, I&M Bank has witnessed a steady growth in positive customer review.					
30	Overall, I am bank has witnessed tremendous growth in sales volume and profitability over the past five years.					

THANK YOU FOR YOUR PARTICIPATION.