EFFECT OF TOP MANAGEMENT SUPPORT
ON OPERATIONAL PERFORMANCE OF COMMERCIAL BANKS IN NANDI COUNTY, KENYA

Praxidis Jemutai Sirma\textsuperscript{1},
Meshack Misi\textsuperscript{2},
Francis Omillo\textsuperscript{2}

\textsuperscript{1}Catholic University of Eastern Africa,
GABA Campus, PO Box 908-30100,
Eldoret, Kenya
\textsuperscript{2}PhD, Catholic University of Eastern Africa,
GABA Campus, PO Box 908-30100,
Eldoret, Kenya

Abstract:
This paper looks at the effect of top management commitment and support on operational performance of commercial banks in the County of Nandi, Kenya. Commercial banks’ operational performance is pegged on reliability of services, dependability of services and also speed to which critical operations are performed for improving customer satisfaction. However, over the years the Kenya’s banking industry has consistently been characterized by persistent operational inefficiency and customer problems due to poor services. The study adopted ex-post facto research approach strategy. The target population consisted of 177 commercial bank employees in Nandi County. A simple random sampling technique was used to select a sample of 123 employees. The study used questionnaire as instrument for data collection. The study found out that top management support was a regular QMS practice evidenced in Nandi County commercial banks. Through top-down approach, regular top down communication thrived well and the top management regularly reviewed organizations’ QMS at planned intervals to ensure effectiveness and continuity. Correlation statistics computed showed that there existed significant positive effect (p <0.05) of top management support on commercial banks operational performance. The study recommends that: there is need for creation and sustenance of shared values and fairness for all employees working in the bank without discrimination.

JEL: G32, G21, G24

Keywords: top management, support, commitment, operational, performance
1. Introduction

Operational performance is related to organisation’s internal operations, such as productivity, product quality and customer satisfaction. Operational performance, measurement can be grounded on the consumers’ expectations within an organization in terms of sales data on what customers order for most of the time and what is not ordered and the handling of complaints (Moore, 2012). Operational performance measurement can also be implemented on the employees through engaging them and having regular appraisals (Anyango, Wanjau & Mageto, 2013). Quality is identified as one of the competitive strategies for improving business performance in the global market (Wanyoike, 2016). To enhance efficiency, continuous improvement and firm performance, a number of firms are adopting quality management practices as a quality management tool. The International Standardization Organisation [ISO] has developed seven QM standards that aimed at settling out several factors of QMS (Thuo, 2013). This paper restricted itself by looking at how top management commitment influences operational performance of commercial banks in Kenya.

According to Wanyoike (2016), implementation of quality as a tool will depend on the commitment of the top management of the organization. It is the role of management to define the mission, vision and goals that promote a quality culture and establish a set of shared values, resulting in high performance (Kanji, 2008). Top management support is about how senior managers in the organization guide the company in setting organizational values, directions and performance expectations (Nyakio & Wanjau, 2014). Kiprotich (2014) noted that attempts to implement QMS often fail because top management doesn’t lead and get committed - instead it delegates and pays lip service. Commitment and personal involvement is required from top management in creating and deploying clear quality values and goals consistent with the objectives of the company, and in creating and deploying well defined systems, methods and performance measures for achieving those goals. These systems and methods guide all quality activities and encourage participation by all employees (Sturman, 2014).

Lee (2011) investigated top management commitment role in maintenance of ISO 9001:2008 and in outcomes of Quality Management System in Algeria, practices and implementation in two large service organizations. The investigation was concerned with top management commitment and leadership from different approaches such as involvement in quality improvement, providing necessary resources and showing steady commitment to quality perfection. Through applying different analysis techniques, the results showed a variation in extent of top management commitment role in ISO 9001:2008 maintenance and TQM system and practices between the two organizations. The respondents of the first company reflected higher positive statements on their top management. Research conducted in Uganda by Ahumuza (2016) found out that top management support influenced service delivery which was one of operational performance measurement to a great extent. In Ghana, Abeeku
EFFECT OF TOP MANAGEMENT SUPPORT ON OPERATIONAL PERFORMANCE OF COMMERCIAL BANKS IN NANDI COUNTY, KENYA

(2013) established that top management commitment influenced successful implementation of quality management systems in manufacturing firms in Ghana. In Kenya, Nyakio and Wanjau (2014) established that management support had higher correlations with competitive performance of food processing firms in Kenya. The reviewed studies from different countries and industries show that top management is a critical component for effective implementation of quality management systems in organizations.

2. Statement of the Problem

Banking industry in Kenya remains the most important sector of Kenyan economy (Thuo, 2013) in terms of Gross Domestic Product (GDP). The government has set targets for the growth of banking industry by ensuring financial inclusion of all Kenyans by 2020 and to have double digit economic growth as reflected in Vision 2030 (CBK, 2015). Quality of banking services is therefore a prerequisite for economic efficiency and a major driving force of the activities of successful banks (Islam & Haque, 2012). Rachilo (2013) found out that commercial banks in Kenya are facing a cutthroat competition in product offerings and market share. The product offerings are almost identical and therefore each of the commercial banks is competing for the same customers. Top management commitment and support appears to be key in predicting how organisation systems and process performs for improved productivity. However, research studies focusing on the relationship between top management commitment and operational performance of commercial banks remains inadequate in Kenya and specifically in Nandi County.

2.1 Research Hypothesis

The paper tests the following hypothesis:

H₁ₐ: There is significant effect of top management support on operational performance of Nandi County commercial banks.

2.2 Literature Review

For QMS implementation to be successful, top management should champion its implementation by providing leadership and engage all employees in the work of satisfying the customer with a continuously improved quality. Javed (2015) investigated the impact of top management commitment on the success of quality management at ARL Company in Islamabad, Pakistan. The sample of study consisted of executives and managers who were working under functional heads. The correlation analysis explained a positive moderate relationship between top management commitment and success of quality management. Top management commitment was positively related to the success of quality management in an organization. The study focused on managerial employees while this research included all employees in the organisation.
In South Korea, Chin and Choi (2003) studied the impact of ISO and the firm’s performance. They established that the most important factor was the way the certification is perceived by top management, as this is classified as the most influential factor for implementing the standard. If certification was perceived positively, top management will provide full support to it. After all, the top management acts as a driver in the implementation of quality management systems through the provision of the necessary resources, which are major factors in continuous improvement through the creation of values, goals and systems to satisfy customer expectations and improve the organization’s performance. That study concluded that although top management commitment plays a vital role on quality performance, other studies should be done to establish whether ISO certification is internally or externally motivated. However, the study did not address other factors like continuous improvement, customer focus and engagement of people that the current study takes into account. In Iran, Movahedia, Teimourpour and Teimourpour (2013) surveyed the effect of Quality Management System (QMS) on organization productivity. The role of top organization management for QMS implementation and change management solutions to eliminate organization resistance were investigated. The results of the study showed that there were some positive effects on organizational management variables and establishing training and explanation courses and meetings. The researchers failed to link the relationship between top management and operational performance.

Omogbiya and Addah (2016) studied the impact of quality management practices on performance of Brewery industry in Nigeria. A set of structured questionnaire was used as the instrument for data collection and administered to respondents of the Brewery’s industries understudy randomly selected using Yaro Yarmane formula. The findings revealed that positive and significant relationship exists between the application of leadership support approaches in increasing organizational return on investment, lowering the level of product wastage and increases in customer satisfaction. The research was conducted in Brewery set up (production) while the current study was done in banking industry (service). Abeeku (2013) study was conducted to determine the extent to which ISO 9000 certification and QM is practiced among manufacturing firms in Ghana. The study adopted positivist approach whereby the researcher explored and empirically tested the factors that influences QM and ISO 9000 implementation using quantitative techniques. Top management commitment was identified as the major contributor (highest mean rank) in the successful implementation of TQM followed by process control and improvement, customer focus, education and training, reward and recognition, supplier quality management and employee participation. The gap created in this study is that Abeeku (2013) failed to link top management commitment and operational performance.

In Tanzania, Mohammad (2015) examined the impacts of ISO 9001 quality management system implementation on employee performance of pension funds in Tanzania, for the case of National Social security Fund (NSSF). The study was necessitated by the lack of ample literature linking of ISO 9001 to employees’
The study revealed that management commitment has a positive impact on the employees’ performance in the pension fund at NSSF. In Uganda, Ahumuza (2016) study sought to examine the effect of Quality Management System (QMS) based on ISO 9001 and service delivery in the road sector, a case of Project Management and Engineering Consultants Limited (PROME) in Uganda. Based on the findings, it was concluded that in order for an organization to successfully implement quality management system, the top management must create, share and sustain quality management targets and values. In Kenya, Mwaniki and Bichanga (2014) also evaluated the effects of top management commitment on financial performance in the banking sector with a focus on the National Bank of Kenya. The findings indicated a positive relationship between top management involvement, process and supplier relationship and financial performance. However, customer relationship negatively affected financial performance. The regression analysis showed a weak relationship among the variables with by the f-test and a weak coefficient of determination. The research recommends the steps to improve top management involvement, process and supplier relationship to improve financial performance. The gap created in this study is that it focused on financial performance while the current study is on operational performance.

Ndunge (2014) sought to examine quality improvement practices and business performance among commercial state corporations in the Ministry of Health, Kenya. The study concluded that the degree of commitment and support that management takes in implementing a total quality environment is critical to the success of quality improvement system practices implementation. The gap created in this research is that it was conducted in public sector organization while the current research looked at private sector organizations in business. Still in Kenya, Wahome, Simiyu and Mwirigi (2017) assessed the role of top management support practice in selected steel manufacturing firms in Kenya and its effect on financial performance of the organizations. The study adopted a descriptive survey research design that collected both qualitative and quantitative data through structured questionnaires. The study concluded that top management support practice contributes significantly to the performance of steel manufacturing companies in Kenya. The research by Wahome et al. (2017) was conducted in steel manufacturing companies while this research was conducted in banking organizations.

2.4 Theoretical Framework

Donald Hambrick and Phyllis Mason (1984) Upper Echelons Theory guided this research. Upper echelons theory states that organizational outcomes both strategies and effectiveness are reflections of the values and cognitive bases of powerful actors who are the senior executives in the organization (Carpenter, Geletkanycz, & Sanders, 2004; Hambrick & Mason, 1984). It states that top managers’ perception of their corporate
environment influences the strategic choices they make which eventually affects the performance of the organization. It further states that the areas that top managers direct their attention to and for that matter, the perceptions of the environment that result are restricted by their cognitive base and values. This individualised construal of strategic situations arises because of executives’ experiences, values, personalities and other human factors.

The intentional process is constrained by the limited capacity of humans for information processing at any given time and as a result, the decision to attend to certain elements in the environment is determined by the dispositions and personal tendencies. It means that the personal characteristics of top managers determine the aspects of the environment that they can “see” and what they see inform the decisions they make regarding strategic choices which ultimately affects the bottom-line of the organization. Thus, according to the theory, organizations become reflections of their top executives. Because of the choices made by the top management team, organizational performance is argued to be directly impacted. To reconcile the impact that these “upper echelons” have on organizational performance, Hambrick and Mason (1984) argued that focus should be directed towards those data readily observable reflecting individual characteristics with respect to the educational, professional and social backgrounds of prominent managers in organizational contexts. Thus, through the collection and analyses of these data, UET states that organizational outcomes can be predicted to some degree based upon the characteristics of executive managers. Due to the fact that the cognitions, values, and perceptions of top management team(TMT) employees are difficult to measure, UET focuses on examining demography to suggest that managerial characteristics are reasonable proxies for underlying differences in cognitions, values, and perceptions (Carpenter et al., 2004). Thus, variables such as age, number of years and specific focus of work experience, and educational background can be applied to predict the actions of TMT employees when faced with strategic decisions in organizations.

The revision of the theory by Carpenter et al. (2004) adds mediators and moderators of top management team effects such as power, team processes, integration, incentives, and discretion to the model. They also re-conceptualize both strategic choices and firm performance as organizational outcomes. Using the upper echelons perspective, researchers have examined the effects of TMT composition and processes on organizational outcomes, as well as the influences of chief executive officer (CEO) characteristics on company strategy and performance. According to Oppong (2014), the theory is relevant in strategic management as it may assist in predicting organizational outcomes or assist in selecting and developing upper level executives. Upper echelons are also relevant in predicting competitor moves and countermoves. Indeed studies of upper echelons provide links between managerial background and organizational backgrounds. The absences of a clear vision, the failure of top management to communicate it, unwillingness to adhere to it are reasons why many long-range plans have been in effective. Too often, employees who do not use these plans develop
corporate plans. Accordingly, strategies are either inconsistent with the vision and hence fail to receive support. In this study, top management support is a construct of QMS and the top management has the responsibility of providing resources, communicating vision, mission, policies and strategies and also establishing integrity and trust culture in the organization.

### 2.5 Conceptual Framework

The independent variable suggests that top management must establish unity of purpose and direction in their institutions. This implies that top management must be personally involved in setting and monitoring quality policy and must communicate it to the employees on regular basis. When they give the required support, operational performance would improve and vice versa.

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management support</td>
<td></td>
</tr>
<tr>
<td>• Communication</td>
<td></td>
</tr>
<tr>
<td>• Establish integrity and trust culture</td>
<td></td>
</tr>
<tr>
<td>• Providing resources</td>
<td></td>
</tr>
<tr>
<td>Operational performance</td>
<td></td>
</tr>
<tr>
<td>• Quality services</td>
<td></td>
</tr>
<tr>
<td>• Cost reduction</td>
<td></td>
</tr>
<tr>
<td>• Speed</td>
<td></td>
</tr>
<tr>
<td>• Reliability</td>
<td></td>
</tr>
</tbody>
</table>

![Figure 1: Conceptual Framework](image)

### 3. Materials and Methods

The study was guided by ex post facto research design. The method used correlations to find out whether a relationship exists between independent variable and the dependent variable. The target respondents (accessible) population for this research consisted of all employees (management and non-management) working in Nandi County commercial banks, a total of 177 employees work here. The 177 employees were the target population for this study. The final sample size consisted of 123 management and non-management employees from 8 Nandi County commercial banks who were selected from the initial 177. The data collection instrument used in this study was questionnaire for employees (non-management and management). Data collected for this study was analysed using quantitative approaches. Analysis was done using descriptive and inferential statistics.

### 3. Findings and Discussions

The main research question for this study sought to determine how top management support affected the operational performance of Nandi County commercial banks. Therefore, the sampled bank staffs were asked to indicate the degree to which they agreed or disagreed on the influence of top management support activities towards
improving operational performance of their organization. The results of the analysis are summarised in Table 1.

Table 1: Top Management Support in Nandi County commercial banks

<table>
<thead>
<tr>
<th>Top management</th>
<th>SD</th>
<th>D</th>
<th>U</th>
<th>A</th>
<th>SA</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) There is regular top down communication in our organization</td>
<td>4%</td>
<td>0%</td>
<td>28%</td>
<td>37%</td>
<td>31%</td>
<td>3.91</td>
<td>0.98</td>
</tr>
<tr>
<td>(ii) Top management establishes commitment to quality improvement by eliminating fear</td>
<td>3%</td>
<td>13%</td>
<td>21%</td>
<td>37%</td>
<td>26%</td>
<td>3.70</td>
<td>1.09</td>
</tr>
<tr>
<td>(iii) Top management devotes resources for development and support for QMS</td>
<td>2%</td>
<td>6%</td>
<td>31%</td>
<td>34%</td>
<td>27%</td>
<td>3.78</td>
<td>0.98</td>
</tr>
<tr>
<td>(iv) Top management reviews the organization’s QMS at planned intervals to ensure continuity, adequacy and effectiveness</td>
<td>0%</td>
<td>4%</td>
<td>34%</td>
<td>42%</td>
<td>20%</td>
<td>3.78</td>
<td>0.81</td>
</tr>
<tr>
<td>(v) Management takes leading position on guiding quality teams</td>
<td>1%</td>
<td>5%</td>
<td>32%</td>
<td>39%</td>
<td>23%</td>
<td>3.78</td>
<td>0.89</td>
</tr>
<tr>
<td>(vi) There is creation and sustenance of shared values and fairness at all levels of the bank</td>
<td>1%</td>
<td>15%</td>
<td>28%</td>
<td>28%</td>
<td>28%</td>
<td>3.67</td>
<td>1.07</td>
</tr>
<tr>
<td>(vii) Employees are motivated towards the organization’s goals and objectives</td>
<td>1%</td>
<td>9%</td>
<td>25%</td>
<td>29%</td>
<td>36%</td>
<td>3.90</td>
<td>1.03</td>
</tr>
<tr>
<td>Valid N (list wise)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.79</td>
<td>0.98</td>
</tr>
</tbody>
</table>

Key: SD-Strongly Disagree, D-Disagree, U-Undecided, A-Agree, SA-Strongly Agree

Research findings from Table 1 reveal that 28% of respondents were undecided that there is regular top-down communication at their bank. However, 37% agreed and 31% strongly agreed. This therefore shows that as part of quality management practice, communication from top to down has greatly been embraced (M=3.91 and SD=0.97) by Nandi County commercial banks as a strategy of enhancing operational performance. This finding is comparable to Wanyoike (2016) study on quality management practices and firm performance among manufacturing firms in Kenya. One of the variables under study was top management commitment which was measured by communication of quality policies. It was established that quality policies and procedures were documented and communicated to all employees in the organization.

Secondly, research results reveal that 37% of respondents agreed while 26% strongly agreed that their bank top management establishes commitment for quality improvement through elimination of fear among workers. This statements appeared to be supported by most respondents (M=3.70) although the standard deviations scores are higher than 1 (SD=1.08) suggesting that some top management executives in banks had not yet embraced this idea. Lack of commitment may affect the realization of QMS objectives hence acting as hindrance towards seamless operational performance by commercial banks. Thirdly, 34% of respondents agreed while 27% strongly agreed that their senior managers devote resources for development and support of quality management initiatives at the workplace. This therefore implies that most respondents tended to agree (M=3.78 and SD=0.98) that resources are devoted by their bank senior
management for ensuring compliance with quality management practices. The findings are comparable to Wairimu and Kidombo (2017) study on influence of implementing QMS on operational performance at Nkabune TTI. Various aspects of leadership were looked at of which provision of resources was one of them. The study found out that resources were adequately provided by technical training institutions top management to support QMS practices. Further, the finding is supported by Asin (2016) study on quality management and performance of commercial banks in Kenya. The study sought to find out the influence of top management commitment on quality management implementation measured by provision of resources. The findings revealed that commercial banks provided adequate resources for implementation of QMS with focus on human and financial resources.

A significant number of respondents, 34% were undecided and 42% appeared to agree that top management reviews their institutions QMS strategy at planned intervals to ensure adequacy, continuous and effectiveness of bank operations. The descriptive statistics shows that most respondents agreed (M=3.78 and SD=0.81) with the statement. This implies that QMS is regularly reviewed to ensure that it achieves its intended objectives. Findings showed that 32% of respondents were undecided, 39% agreed and 23% strongly agreed that top management in their banks is always at the lead in guiding quality teams. The respondents appear to agree with the statement (M=3.78 and SD=0.89). The findings are also comparable with Wanyoike (2016) study on quality management practices and firm performance. Top management commitment was one of the variables measured by quality leadership. The findings revealed that management took leading position on guiding quality teams. This implies that senior managers at the bank always lead in ensuring quality teams perform their responsibilities well for improving operational performance in Nandi County commercial banks. Results showed that 28% of respondents agreed and 28% strongly agreed that there is creation and sustenance of shared values and fairness at all levels of the bank to improve relations among senior and lower cadre employees. The respondents agreed with the statement (M=3.67) but higher standard deviation values (SD=1.07) implies that there are some bank executives who failed to promote an environment of shared values and sustenance for all levels in an organization. When asked as to whether employees are motivated towards organization goals and objectives, 1% strongly disagreed, 9% disagreed, 25% were undecided, 29% agreed and 36% strongly agreed. This implies that a significant number of respondents agreed (M=3.90) but a small number through standard deviation values (SD=1.02) held different opinion. This implies that despite most commercial banks motivating their employees towards organization goals, other employees have not yet seen such in their workplaces hence affecting operational performance. This result is also comparable to Wairimu and Kidombo (2017) whose study also sought to find out whether the institution inspired and empowered their employees. The study found out that the management of technical training institutions empowered their staff towards achievement of organization mission and vision in the leadership aspect of the study.
Average descriptive statistics shows that most respondents appeared to agree (M=3.78 and SD=0.97) that top management was committed to the implementation of QMS by Nandi County commercial banks, Kenya. This is in agreement with Asin (2016) whose study sought to find out the influence of top administration responsibility on quality management implementation at banks.

The study results provided strong support for the influence of QMS on quality service delivery through top management support. The tentative conclusion is that top management support as a QMS practice has highly been embraced by Nandi County commercial banks. In relation with cited literature, top management support is an important element of QMS that most institutions have tried to put into practice by providing resources, communicating regularly, guiding quality teams, motivating employees towards organizational goals among others. To establish the effect of top management support on operational performance, composite scores of top management were correlated against composite scores of operational performance. The results of analysis are presented in Table 2 below.

**Table 2: Effect of Top Management Support on Operational Performance of Nandi County Commercial Banks**

<table>
<thead>
<tr>
<th>Top Management</th>
<th>Operational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1.212*</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.035</td>
</tr>
<tr>
<td>N</td>
<td>100</td>
</tr>
</tbody>
</table>

Karl Pearson correlation statistics reveal that there exist significant positive relationship (r=0.212 and p=0.035) between top management support and operational performance of Nandi County commercial banks. The statistics tentatively implies that there is high likelihood that increases in top management commitment and support towards QMSs, commercial banks operational performance would increase significantly. The finding is supported by Mwaniki and Bichanga (2014) study on effect of quality management on financial performance in the banking sector with a focus on National Bank of Kenya. The study evaluated the effects of top management commitment on financial performance and the findings indicated a positive relationship between top management involvement and financial performance. The findings are also in line with Wokabi (2016) study on the influence of quality management practices on financial performance of commercial banks. The study sought to find out the relationship between top management commitment to the implementation of quality management practices and performance of commercial banks in Kenya. The results showed that management commitment had a significant positive effect on bank performance. The tentative conclusion is that the operational performance of banks will always increase if top management support and commitment is increased.
Praxidis Jemutai Sirma, Meshack Misoi, Francis Omillo
EFFECT OF TOP MANAGEMENT SUPPORT ON OPERATIONAL PERFORMANCE OF COMMERCIAL BANKS IN NANDI COUNTY, KENYA

Table 3: Model Summary on Effect of Top Management on Operational Performance

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.212</td>
<td>.045</td>
<td>.035</td>
<td>.778</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Top Management

The correlation coefficient R is 0.212 with an R square of 0.045 that implies that 4.5% of change in operational performance is explained by the top management support. Further, the change statistics suggest that the relationship between top management supports on operational performance is linear. Table 4 shows the coefficient table for the above model.

Table 4: Coefficient of Top Management Support and Operational Performance

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 (Constant)</td>
<td>2.795</td>
<td>.379</td>
<td>7.372</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Top Management</td>
<td>.211</td>
<td>.099</td>
<td>.212</td>
<td>2.142</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Operational Performance

The linear model equation can be written as:

\[ y = 2.795 + 0.211\beta_1 \]  

The linear regression model shows that there exist significant effect of top management support and commercial banks operational performance. The statistics suggests that a unit change in top management support results to operational performance changing by 0.21. The study findings are comparable to the findings of Nyakio and Wanjau (2014) research on the effect of quality management systems on the performance of food processing firms in Kenya. The study looked at leadership especially top management support as a QMS variable, its effect and the study found out that there exists a positive effect of top management support on performance of food processing firms. This can also be compared with Wahome, Simiyu and Mwirigi (2017) study on role of top management support on performance of steel manufacturing firms in Kenya. Top management support in this case was the independent variable. The study found out in the context of QMS that top management support practice in the steel manufacturing companies had significantly contributed to improved organizational performance. This implies that for operational efficiency to be attained too, commercial banks’ top management commitment and support is important.

4. Conclusions and Recommendations

Research results showed that the management of commercial banks provided adequate support in terms of communicating with employees often, were committed, motivated employees and were leaders towards quality improvement at commercial banks. This
resulted to improved operational performance as reflected through correlation and regression statistics that showed that the relationship was positive. The findings imply that once the top bank leadership sets direction, provide resources and maintain quality management systems, performance excellence will be achieved. Continuous usage of this QMS practices increases the likelihood of attaining organization goals and objectives. Therefore, the need for full commitment of top management should be understood, communicated, implemented and maintained at all levels in the organization in order to improve organization process efficiency. To ensure top management support is evident during implementation of QMS, there is need for creation and sustenance of shared values and fairness for all employees working in the bank without discrimination. Furthermore, there is need for commercial banks to commit adequate resources required for implementation of quality management system.

References


