The Effect of Strategic Leadership on Organizational Performance of Commercial Banks in Kenya: A Case of Kcb Bank Kenya Limited

by

Beatrice Chesaro

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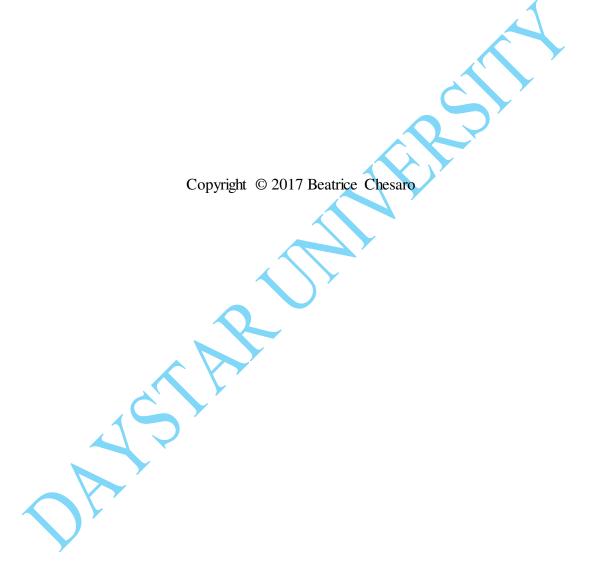
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Beatrice Chesaro

In accordance with Daystar University policies, this thesis is accepted in partial fulfillment of requirements for the Master of Business Administration degree

| Date: | |
|--|--|
| | |
| Joannes Kaleli, PhD, MIHRM, | |
| 1 st Supervisor | |
| | |
| | |
| Dorcas Mwamba, MPhil, | |
| 2 nd Supervisor | |
| | |
| Thomas Koyier, MSc, | |
| HOD, Commerce Department | |
| | |
| Evans Amata, MFC, | |
| Dean, School of Business and Economics | |



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| I hereby declare that this thesis is my original university or college | |
|--|-------|
| | |
| Signed: Beatrice Chesaro (13-0128) | Date: |

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LIST OF ABBREVIATIONS

CBD - Central Business District

CBK - Central Bank of Kenya

CEO - Chief Executive Officer

KBA - Kenya Bankers Association

KCB – Kenya Commercial Bank

ABSTRACT

The relationship between strategic leadership and organizational performance has been a key concern to commercial banks in Kenya. The purpose of this study was to find out the effect of strategic leadership on the performance of the KCB Bank Kenya Ltd. The following objectives guided the study; To identify the strategic leadership components, to determine the effect of strategic leadership on organizational performance and to determine challenges facing in providing strategic leadership at KCB Bank Kenya Ltd. The study adopted a descriptive research design. The study focused on a scope of 262 employees drawn from the headquaters. The study obtained a sample size of 79 respondents and adopted purposive sampling technique. The study used SPSS (version 20) to anlyse the data. The Key findings of the study were: The strategic leadership components at KCB Bank Kenya Ltd that had a great influenced its performance, culture, and level of effectiveness as noted by 55.3% of the respondents. The effect of strategic leadership on organizational performance in KCB Bank Kenya Ltd was quite significant; with 51.7% of the interviewees agreeing and strongly agreeing. The main challenges faced in providing strategic leadership to the bank were government's restrictions and changing technology as noted by 48.9% of the respondents. There is need to regularly analyze its business environment so as to aid in setting a new strategic direction and that banks should accomplish their goals in time so as to ensure that continuity of the bank transactions is well maintained and enhanced. The study saw that there was a need to investigate on how to better involve all stakeholders in strategic decision making to better tailor banking services to the needs of clientele to improve performance and offered it as a recommendation for future studies.