AN ANALYSIS OF THE ROLE OF MONITORING AND EVALUATION IN CUSTOMER SATISFACTION IN THE BANKING INDUSTRY: A CASE OF COMMERCIAL BANK OF AFRICA, NAIROBI, KENYA

by

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APPROVAL

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

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DECLARATION

THE ROLE OF MONITORING AND EVALUATION IN CUSTOMER SATISFACTION IN THE BANKING INDUSTRY: A CASE OF COMMERCIAL BANK OF AFRICA, NAIROBI, KENYA.

I declare that this thesis is my original work and has not been submitted to any other college or university for academic credit.

Signed: ____________________    Date____________________  
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LIST OF ABBREVIATIONS AND ACRONYMS

ACSI  American Customer Satisfaction Index
CBA   Commercial Bank of Africa
CE    Customer Experience
KBA   Kenya Bankers Association
KPI   Key Performance Indicator
M&E   Monitoring and Evaluation
NSE   Nairobi Stock Exchange
NTB   New to Bank
SACCOS Savings and Credit Co-operative Societies
SCSB  Swedish Customer Satisfaction Barometer
SPSS  Statistical Package for Social Sciences
TAT   Turnaround Time
ABSTRACT

Monitoring and evaluation (M&E) plays a vital role in customer satisfaction in the banking industry. This is because M&E guides banks come up with clear objectives and indicators to manage and track the degree of customer satisfaction. Therefore, this study analyzed how Commercial Bank of Africa could utilize M&E in their customer satisfaction management. Its objectives were to analyze the structures and measures that had been put in place by CBA for the purpose of customer satisfaction, examine the utility value of M&E in customer satisfaction at CBA, explore the challenges faced by CBA in its customer satisfaction management and recommend interventions for utilization of M&E for any gaps identified in this study. The study targeted the management team, staff and customers of CBA Kenya. Questionnaires were used in data collection and the Statistical Package for Social Sciences (SPSS) version 20 was used in data analysis. Findings showed that description of the indicators/variables of customer satisfaction, specification of information requirements, identification of sources of information, determination of the findings and reporting of findings were among the measures in place for the purpose of customer satisfaction. Some of the challenges faced in customer satisfaction management included employees working long hours which led to fatigue, uncooperative colleagues, policy and procedure limitations, customer management and pricing issues against industry, tailor making customer financial solutions which were very diverse and forex point being a problem to many customers. This study concluded that there were measures in place at CBA for the purpose of customer satisfaction management but were not fully implemented. The study recommended that in order to improve customer satisfaction, the bank should ensure that all the measures necessary for customer satisfaction management are put place, fully
implemented and that organizations should put in place more practical measures and structures for customer satisfaction management in order to realize improved customer satisfaction.
DEDICATION

I dedicate this work to God my creator, who gave me the strength and grace to undertake this study, to my dear parents, Robert and Emmy, for their tireless encouragement and support.