EFFECT OF BUSINESS PROCESS RE-ENGINEERING ON FINANCIAL PERFORMANCE OF TIER ONE COMMERCIAL BANKS IN KENYA

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A Research Project Submitted to the School of Business and Economics in Partial Fulfillment of Master's Degree of Business Administration in Finance of Mount Kenya University

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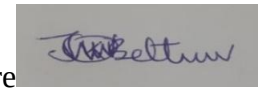
DECLARATION AND APPROVAL

This research project was created entirely by me and hasn't been submitted to another university for credit toward a degree.

Signature  Date. 30th June 2025

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As the University Supervisors, we have given our consent for this project o be submitted for review.

Signature  Date 30th June 2025

Dr. Ruthwinnie Munene

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DEDICATION

To my family and friends who have helped me over my academic career, this effort is dedicated. Thank you all for your contribution and be blessed all

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The Almighty God is the one I am most grateful to for His love and mercy during my education, which allowed me to finish the study project. For helpful revisions, I also want to express my gratitude to Dr. Peter Simotwo, who chaired the project presentation, and Dr. Ruthwinnie Munene, who directed the proposal development.In addition, I want to thank my family, friends, and coworkers for their support and encouragement when I was writing the study project. God bless everybody.

ABSTRACT

Even if loan portfolios are a necessary asset that regrettably exposes the organization to financial risks, the returns on assets from operations are the sole element that determines the financial performance of commercial banks, which has led to expensive and time-consuming business processes. Business process reengineering (BPR) is a management strategy that seeks to make company processes more efficient. The re-engineering of commercial banks appears to have been delayed. BPR has long been a strategy adopted by commercial banks worldwide to alter their operations and procedures in an effort to boost their bottom line. Kenya's commercial banks are being threatened by money transfer services like Mpesa. Investigating the effect of BPR on the financial performance of Kenya's tier one The goal of this investigation was commercial banks. Finding out how deposit-taking automated teller machines, internet banking, agency banking, and mobile banking impacted the financial performance of Kenya's leading commercial banks was one of the stated objectives. Descriptive research methodology was employed in the study. The 98 business development managers employed at the Nairobi headquarters of Tier 1 banks made up the study's target population. The entire target population was included using the census method. Semi-structured and structured questionnaires were used to collect primary data for the study.

Supervisors who were subject-matter specialists in content analysis improved the questionnaire's validity, and internal consistency was used to statistically evaluate the pilot's dependability. After receiving NACOSTI approval, the data collection process got underway. Kenya's tier one commercial banks' financial performance was positively, statistically significantly, and significantly correlated with ATM use ($r = 0.449$; $p = 0.021$). The study concludes that Internet banking should be given priority by commercial banks since it would increase their growth and save customers a significant amount of time that they would have otherwise spent standing in line. In order to improve anonymity, the study also suggests that clients be informed about how agency banking operates. In order to design and implement IT in a manner that aligns with business operations, the researcher also suggested that senior management team members communicate often to obtain up-to-date knowledge about organizational business. Further research on the impact of BPR on the financial performance of other financial institutions, such as microfinance firms and Kenyan Saccos, was suggested by the researcher.

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LIST OF ABBREVIATIONS AND ACRONYMS

ATM	Automated Teller Machines
BPR	Business Process Reengineering
CBK	Central Bank of Kenya
CRB	Credit Reference Bureau
GCB	Ghana Commercial Bank
KCB	Kenya Commercial Bank
KBA	Kenya Bankers Association
MFB	Microfinance Banks
MFI	Microfinance Institutions
MRP	Money Remittance Providers
RBV	Resource Based View

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

One well-liked management technique for addressing the swift changes in business and technology is business process reengineering (BPR) (Ranganathan and Dhaliwal, 2020). Hammer (1990) first proposed it as a drastic process redesign aimed at achieving notable cost, quality, and service benefits (Ozcelik, 2020). BPR forces businesses to consider whether a process is required before looking for a better way to carry it out. It does not aim to change or correct current processes (Siha and Saad, 2018). According to Cheng et al. (2023), BPR unifies all departments into a comprehensive process that is intended to achieve a certain business objective. Organizations can achieve significant improvements in company performance through the effective application of BPR (Shin and Jemella, 2022).

BPR is a management technique that seeks to enhance corporate operations by entirely rebuilding them for greater efficiency. The emphasis is on reimagining how firms function in order to achieve significant cost, quality, speed, and service improvements. In today's fast changing business environment, BPR enables organizations to remain competitive by promptly adjusting to new developments (Chang, 2024).

BPR's performance is heavily reliant on information technology, which fosters innovation and streamlines procedures. Commercial banks throughout the world have implemented BPR to enhance their financial performance by addressing issues such as excessive operating expenses, portfolio management, and competition from developing financial technology. Economic trends in India have helped to boost the banking and insurance industries.

According to Vergidis et al. (2021), many organizations believe that implementing BPR may provide significant and quantitative advantages. Globalizing financial markets requires significant adjustments from market players to move beyond national competitiveness and attain worldwide standards and global competitiveness. The banking sector prioritizes improving processes and increasing domestic market share to drive effective diversification efforts. Banks are shifting their focus to market sectors with potential for growth and improved performance, reshaping the financial services sector. Mergers and acquisitions have led to innovation in banking services and procedures. Banks that specialize and consolidate are better positioned to compete in global markets.

India's developing economy has led to financial developments, notably in the banking and protection sectors. To tackle new challenges caused by innovative bank presentations and shifting client perspectives. Ratinder (2021) suggests that organizations are rethinking their techniques for collaborative projects. Efforts to reduce operating costs have prompted financial institutions to employ tools like BPR to benefit organizations. The State Bank of Patiala (SBOP) has initiated BPR efforts similar to those of State Bank of India (SBI) (Ratinder, 2021).

Siddhartha (2022) conducted valuable study on Indian customers' perceptions on flexible financial administrations. The adoption of mobile banking has had a significant impact on societal expectations banking. The creator's study found that perceived risk had no substantial impact on societal goals for flexible banking. The perceived usefulness and ease are key factors in achieving the aims of using flexible banking. Banks should develop their flexible banking strategies based on client learning.Innovations and client expectations have prompted banks to reconsider their business strategies (Ratinder,

2021). In Ghana, the arrival of international banks and innovative business models has prompted local banks to adopt BPR tactics in order to compete (Chang, 2024).

Web banking has emerged as a valuable instrument for client retention and operational cost reduction, as technology improves service access, particularly for underprivileged communities (Adewoye, 2023; Karanja, 2020). Customer trust in mobile banking varies with time, influencing how many individuals choose to use it (Thulani, 2021).

According to Karanja (2020), organization banking hosts are third-party entities contracted by financial institutions or bank administrators. According to Ranganathan and Dhaliwal (2020), business process reengineering (BPR) is a popular management strategy for dealing with the rapid changes in business and technology. In order to achieve significant cost, quality, and service gains, Hammer (1990) originally suggested it as a radical process redesign (Ozcelik, 2020). BPR makes companies think about whether a procedure is necessary before figuring out how to do it more effectively. According to Siha and Saad (2018), it has no intention of altering or improving existing procedures. BPR integrates all departments into a holistic process designed to accomplish a specific business goal, claim Cheng et al. (2023). Effective use of BPR can help organizations achieve notable gains in business performance (Shin and Jemella, 2022).

Banking enables the underbanked and unbanked to receive services at a reduced cost by moving consumers away from bank corridors and into communities (Frida, 2013). Kanogo (2013) explains that this is due to easier access to financial services, longer opening hours, shorter lines in specialist outlets, and greater accessibility for those who may feel unsafe in branches.

According to Amin (2019), consumer loyalty may be measured based on helpfulness and perceived convenience. Equity Bank is one of the banks that have developed several M-banking products. Family Bank, KCB Mobibank, and M-Kesho Pesa pap, particularly for the late Commercial Bank of Africa employee M-shwari

1.1.2 Business Process Reengineering (BPR) and Financial Performance:

In Kenya, banks are progressively embracing innovative service channels such as online and mobile banking, which serve to minimize the need for physical staff and improve operational efficiency. A bank's financial performance is critical for determining how well it is expanding, producing profits, and being viable BPR assists banks in lowering operating expenses by simplifying procedures, implementing new technology, and replacing antiquated systems. BPR improves financial outcomes by decreasing labor expenses and enhancing service delivery (Awolusi & Onigbinde, 2024; Safavi, 2023).

Challenges faced by Kenyan commercial banks include credit risk, liquidity, and fierce rivalry. Banks vary in how they perform on common financial performance indexes like (ROE) and (ROA). For profitability, domestic banks like Equity and KCB face up against global names like Barclays and Standard Chartered (Turyahebya, 2023; Dziobek, 2024).

Kenya has 46 commercial banks, and Tier 1 banks account for over half of the market. Kenya Commercial Bank, Equity Bank, and Standard Chartered are among the major players. The (CBK) regulates the industry, and banks must adjust to increased competition, technology advancements, and shifting customer expectations. These banks serve an important role in the economy, promoting investment, economic growth, and financial stability. The use of new technology and the liberalization of the banking

business have resulted in more competition and improved services throughout the sector (Andugo, 2023).

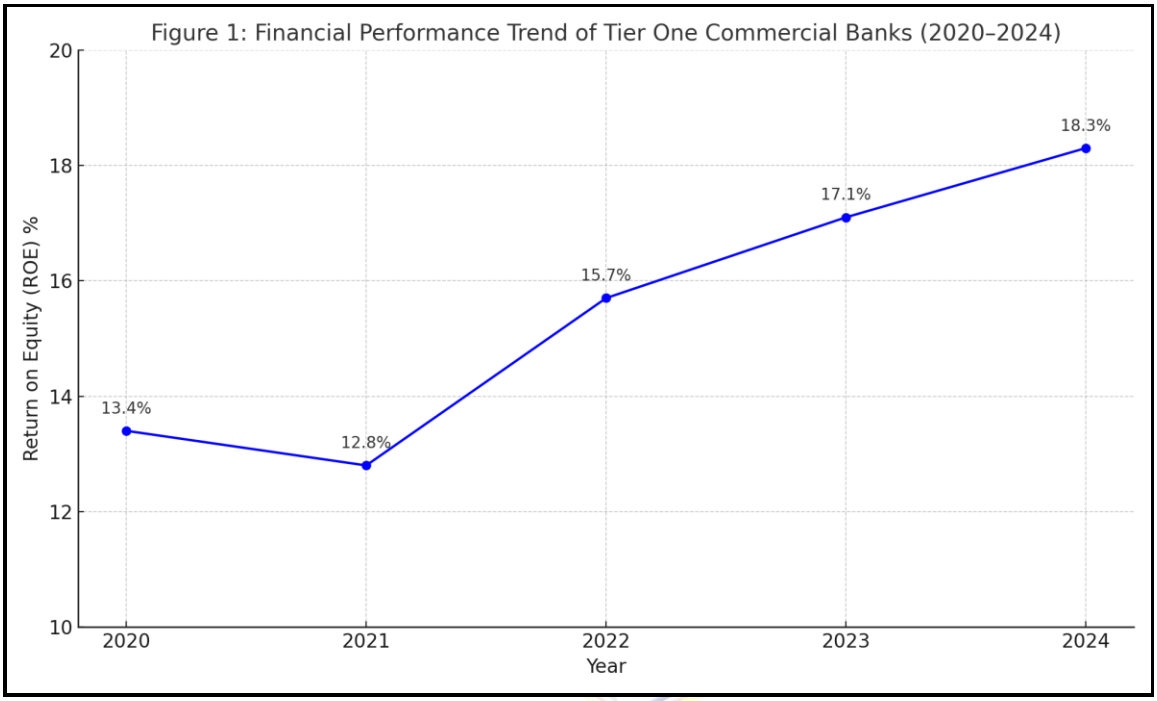

Figure 1: Kenyan Tier One Commercial Banks' Trends in Financial Performance

2020-2024(CBK, 2025)

Source: CBK Annual Supervision Report

A relative rise in ROE over time is seen by the drift line.The y-axis intercept of 43.502 and positive gradient of 10.104 clearly demonstrate this. The pattern line's R2=0.9745 shows that the time adjustment accounts for 97.35% of the change in ROE, while the error term accounts for just 2.55%.

The intense rivalry amongst commercial banks has been connected to the overall change in the sector and the profitability of these institutions. Domestic banks such as Equity and KCB have damaged the profitability of foreign-owned multinational banks Barclays and Standard Chartered. As the industry's developing component demonstrates, every

commercial bank in to gain and keep a competitive edge in the nation's financial sector, Kenya needs to implement a new approach to their daily operations.

1.1.2 Kenyan Tier 1 Commercial Banks' financial performance

There are 46 banks in Kenya, some of which operate on a local, regional, and global basis. Six of the 46 banks, accounting for 49.9% of the banking sector, are classified as tier 1. Standard Chartered, Barclays Bank, Equity Bank, Kenya Commercial Bank, and Commercial Bank of Africa are some of these banks. 41.7% of the market is held by the 16 Tier 2 banks combined. Banks that make up the remaining 8.4% of the market are categorized as Tier 3 banks. (2019, CBK).

The banking industry in Kenya, particularly Tier 1 commercial banks, is critical to the country's financial system, which is essential for economic growth and development. However, these institutions have substantial obstacles. Since 2008, commercial banks have faced intense competition from traditional financial institutions, non-bank financial organizations, and newer players such as mobile money services (such as M-Pesa and Airtel Cash), as well as the rise of SACCOs and microfinance institutions, putting significant pressure on them to maintain market share and profitability.

The CBK regulates the financial industry through the Financial Act, the Companies Act, and several recommendations. To support and uphold sound money policy, the National Bank of Kenya oversees and controls the operations and activities of every bank in the country. Increased competition and innovation have led to a number of issues and shifting conditions for financial institutions. Banks must create and effectively sell

innovative financial products and services (Osano, 2019). These new goods and services can be developed once the institutions' business processes have been reengineered.

The Kenya Bankers Association provides an entry point for the local banking sector. It tackles every issue that is unique to the banking industry. In Kenya, when it comes to the nation's economic asset allocation, commercial banks are crucial. Investors are the beneficiaries of the assets that clients deposit. If banks are successful, investors will earn big returns. This will promote additional investment and quicken economic expansion. A strong and successful banking industry that can endure negative shocks and maintain control guarantees the financial system's stability.

To evaluate solid banking processes, the CAMEL structure is employed.; it contains executive liquidity, board effectiveness, resource quality, and capital abundance. According to Andugo (2023), improvements in Kenya's banking industry may be attributed to the division's deregulation, adoption of new trends, and a better business climate as a result of social, political, economic, and other reforms that have been hailed

1.2 Statement of the Problem

Despite being essential to Kenya's economy, Tier One commercial banks, they've faced some tough times in recent years. Profit margins have shrunk, staff layoffs have increased, and many have struggled with operational inefficiencies. These challenges have largely been fueled by growing competition from mobile money platforms like M-Pesa and Airtel Money, as well as tighter regulations such as interest rate caps (CBK, 2023).

Research by Deborah (2019) and Buura (2016) shows that business process reengineering (BPR) can help improve bank efficiency and financial performance. However, most of

this research either focuses on single banks or foreign contexts, making it hard to draw conclusions about Kenya's banking sector as a whole.

For instance, Deborah's study on Kenya Commercial Bank highlighted BPR's role in cutting costs and boosting efficiency, but didn't explore how it affected financial indicators like Return on Equity (ROE) or Return on Assets (ROA). Buura's research in Ghana found a positive link between BPR and financial performance, but also stressed the need for country-specific insights. Closer to home, Norah (2024) looked at organizational performance, not financial results. Altogether, these studies reveal a clear gap in understanding how Kenyan Tier One banks' financial performance is affected by BPR,especially in light of the rapid technological changes and regulatory shifts that began around 2020. This study aimed to fill that gap by closely examining how different BPR strategies—like internet and mobile banking, agency banking, and deposit-taking ATMs—affect ROE and ROA in Tier One banks. Gaining this insight is vital for banks that want to stay financially strong and competitive in today's fast-changing financial environment.

1.3 Purpose of the Study

The study sought to determine how business process re-engineering affected the top-tier commercial banks in Kenya in terms of their financial performance.

1.3 Research Objectives

i. To establish how Internet banking affects Kenya's top commercial banks' financial performance.

ii. To ascertain how agency banking affects Kenya's top commercial banks' financial results.

iii. To examine mobile banking effect on tier-one Commercial banks the financial performance of in Kenya.

iv. To assess the deposit-taking effect on tier-one Commercial banks the financial performance of in Kenya.

1.4 Research Hypotheses

H01: Internet banking has no statistically significant impact on the financial performance of Kenya's tier-one commercial banks.

H02: The financial performance of Kenya's tier-one commercial banks is not statistically impacted by agency banking.

H03: Kenyan tier-one commercial banks' financial performance is not statistically impacted by mobile banking.

H04: ATM deposits have no statistically meaningful impact on the financial performance of Kenya's tier-one commercial banks.

1.5 Study Significance

Many participants in the banking industry find the report to be important. Including commercial banks, the Kenya Bankers Association (KBA), the CBK and field researchers. As a consequence of its critical role in commercial bank regulation, the CBK has a unique view on variables influencing commercial banks' operational and, consequently financial performance. Then, based on policy and necessity, the CBK may intervene. The study will assist the Kenya Bankers Association (KBA) in better understanding the elements that influence the financial performance of Kenya's commercial banks, which are its members. The KBA will now be able to push for policy changes on behalf of its members.

The finest BPR techniques will be taught to commercial banks, along with how to create comparable protocols. The study will aid the researchers by adding to the body of knowledge on the subject and assisting them in better understanding the discipline. Understanding how business process engineering influences financial performance is one of the ways that this research will help society. The findings will add to the increasing body of information on BPR in the banking industry, as well as make suggestions to bank management and regulators on how to improve the performance and competitiveness of Kenyan banks.

1.6 Scope of the Study

Examining the impact of BPR on Kenya's leading commercial banks financial performance was the aim of the study. In Nairobi's commercial banks, the study was carried out. January through June of 2025 saw the completion of the investigation. Business development managers employed by several tier one commercial banks' main offices made up the target audience.

1.7 Study Limitations

The sensitive nature of the research issue presented limitations for the study when it comes to data gathering. Commercial banks operate in great secrecy because they are delicate organizations. Some respondents were reluctant to complete the questionnaires in this situation out of concern that they revealed private bank information that their rivals might use. By providing prospective respondents with a consent statement that ensured their answers was kept private and anonymous and that the data gathered would be used for academic reasons, the researcher allayed this worry. Before the data gathering process began, a letter of authorization from the bank's management was acquired. The bank's management was also concerned that bank services would be

disrupted during the questionnaire completion process. Upon gaining authorization, the researcher informed the bank's management that the Only in the mornings and nights, when no bank customers were being served, would surveys be given out.

1.10 Study Delimitations

Internet banking's effect on the top commercial banks in Kenya's financial performance was one of the study's four main emphasis areas. to find out how much Kenya's top commercial banks pay for agency banking. to examine how mobile banking affects Kenya's leading commercial banks' financial results. Evaluating how deposit-taking automated teller machines affect Kenya's top-tier commercial banks' financial results. Not all commercial banks may be affected by this.

1.11 Study Assumptions

The study assumed the following;

In order to guarantee that the intended respondents gave accurate, truthful, and reliable information for this research, it is presumed that the research topic was more relevant to them. It was also assumed that, notwithstanding any obstacles, this investigation would be finished within the timeframe specified. Adequate cash has been granted to cover all essential expenses, including any unanticipated costs such as recruiting research assistants. Furthermore, the study made the assumption that the conclusions, results, and suggestions were pertinent to and helpful to the stakeholders mentioned in the study.

1.12 Operation Definition of Terms

Business Process A sequence of steps that transform a set of inputs into a set of outputs (goods or services) or a set of sensible activities that are completed in order to achieve certain business objectives.

Commercial Banks: A financial company that provides services such basic investment products, business loans, and deposit acceptance

Deregulation: Removing government control over a certain industry is typically done to increase competition in that sector.

Tier One Banks: These banks are well-known throughout the world and dominate the majority of product areas.

Tier Three Banks: These are regional and national banks that are smaller. These banks must rely on contractors since they lack the necessary IT resources in-house and desire cross-asset platforms.

Tier Two Banks: These are national banks that participate in trading volume and take prices on the capital markets.

Financial Performance: The monetary value of the organization's output over a given period.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The researcher provides a conceptual framework, a description of knowledge gaps, and the theoretical and empirical literature in this chapter.

2.1 Theoretical Review

Three theories served as the foundation for the investigation: The Resource Based View (RBV), the Diffusion of Innovation Theory, and the Dynamic Capabilities Theory.

2.1.1 Diffusion of Innovation Theory

Everett Rogers created the Diffusion of Innovation Theory (DOI) in 1962 to provide an explanation for how businesses in a similar industry acquire new ideas. The theory's execution is made up of five main processes: information, persuasion, decision-making, implementation, and confirmation. The information includes an emphasis on innovations and their relevance among potential partners. Persuasion is the process of developing positive attitudes about a newly adopted invention. Abraham, (2022). While the continuing stage entails ratifying the benefits of the invention, which will increase its general acceptability, the intended beneficiaries decide whether to accept or reject it (Etemesi, 2019). BPR is a response to changes in the operational environment by implementing innovations, which is why this theory is significant to the research.

2.1.2 Resource-Based View

In 1984, Birger Wernerfelt created the Resource-Based View (RBV). Ndanu (2014) describes a firm perspective based on resources. According to the RBV, a company's competitiveness is defined by its ability to manage its abundant resources while also inspiring more respect for its representatives and investors (Pedram, 2021).

The ability is characterized as the capacity to commit substantial resources to a task. Operational competence and dynamic competence are the two categories into which competencies fall. Operational capabilities are defined by Hussain (2023) as a large number of routines and their execution that enable the production of a large yield from any type of process.

Dynamic skills relate to the capacity to generate, integrate, or modify operational capabilities. Alternatively, resources are split into organizational, human, and physical resources that may be used to undertake esteem-building strategies (Sarlak, 2022). The grouping includes both material and intangible resources. (Sungau, Ndunguru, and Kimeme, 2023).

According to Jamali, Abbaszadeh, Ebrahimi, and Maleki (2021), scarce, significant, one-of-a-kind, non-tradable, and non-substitutable resources are required. When a resource is regarded crucial, it signifies that it may positively contribute to the firm's viability and effectiveness. If a resource is unique or non-tradable, it can only be accessed by corporations. When a resource is unique, it indicates that rivals are not equipped to outperform it. In summation. The non-substitutable components of a resource indicate that rivals will be unable to get a substitute resource that can perform a very similar function.

This concept is crucial to the study since it indicates that a firm must develop and advance. When it comes to its financial image, in particular, it should deploy resources in a way that would provide the most positive results. Commercial banks should be able to manage their resources such that, unlike other financial institutions, general investors and other beneficiaries perceive banking to be the most appealing location (Kariuki, 2023). For example, the Cooperative Bank of Kenya's choice to install robotized mass machines in the banking corridor to reduce wait times is more enticing than other banks' long

queues. Customers can use these machines to make deposits and obtain electronic receipts over the phone (Nyamosi, 2019). According to RBV opponents, the theory's importance is restricted since it does not account for the growth of resources and dynamic capabilities. Another critique of the concept is that it provides the appearance that directors have complete control over resources and can forecast how they will be utilized in the future (Shadid, 2022).

2.1.3 Dynamic Capabilities Theory

In a global method research, Gary Hamel (1989) created the idea of dynamic capacities theory., which resulted in the identification of a company's fundamental competencies. (Mwanzia, 2022). According to the dynamic capabilities theory, the organization must be able to integrate, develop, and establish both internal and external capabilities to deal with a continually changing world (Adewale, 2024). The dynamic capabilities demonstrate that corporations avoid enhancing rigidity, which makes it more difficult to advocate in a changing environment.

Depending on how the new resource packages are viewed, the dynamic capacity drives the firm to adapt its resources in order to build long-term competitive advantages. Chang (2024) lists several advantages. This includes responsibilities and approaches such as configuration, learning, leveraging, coordination, and integration. Incorporation indicates the capacity to combine resources, whereas coordination includes matching activities to create the desired outcomes. Muturi (2024).

Leveraging includes replicating best practices across organizational units, whereas learning entails acquiring new abilities. Given how fast the financial sector grows and changes, the theory is important in this examination (Kariuki 2019). Every day, some banks devise new ways to recruit consumers. To adapt to the banking sector's constant competition, each bank should be able to "change" the way it does things (Nyamosi,

2021).

2.1.4 Liquidity Preference Theory

Keynes' 1936 theory identified three reasons why the activities of financial executives are crucial to a corporation. The liquidity preference hypothesis simply refers to a desire for financial assets. Any advantage that may be quickly converted into cash is considered to as liquid; cash is thought to be the most liquid of all the benefits. Commercial banks often deal with liquid assets that investors may access at any moment.

According to Keynes, monetary interest may be classified into three sorts. The first incentive is transactional, which relates to the need for money to cover everyday expenditures such as transportation, labor, and raw material purchases. The second is preventive, which is setting aside money to meet unforeseen expenses, such as those caused by an accident or sickness. The speculative incentive, which is to save money and hold off on using your stock buy rights until after future events, comes in third.Investors will purchase and wait for the price to rise if the stock market is predicted to rise and interest rates must fall. Keynes (1936) defined the supply of cash as the total amount of money in circulation in a nation.

Political instability in a country, such as the violence that erupted following Kenya's 2007 and 2008 elections, can have an influence on bank liquidity. As a result, investors in the impacted areas hastened to keep their funds in their pockets. Other authors questioned Keynes' reasoning. For example, Rothbard (2022) claimed that interest rates are influenced by reasons other than liquidity desire, as Keynes predicted.

The theory does not provide a model for determining the optimal sum or quantity of money that may be retained at any one time. Since it accounts for short-term interest

while disregarding long-term interest, Since the financial performance of Kenya's tier-one commercial banks is the dependent variable of the inquiry, Keynesian theory was important to the current study.

2.1.5 Linkage Between Theories and Study Variables

The study adopted four main theories to anchor the variables of business process reengineering:

- **Diffusion of Innovation Theory** is linked to Internet Banking, as it explains how innovations such as online banking systems are adopted by organizations and users. Internet banking represents a major innovation in service delivery, and the theory helps in understanding factors influencing its adoption and impact on financial performance (Rogers, 1962).
- **Resource-Based View (RBV)** is most applicable to Mobile Banking, where banks leverage internal resources like IT infrastructure, skilled personnel, and proprietary platforms. RBV explains how unique internal resources, if properly deployed, can result in competitive financial advantage.
- **Dynamic Capabilities Theory** supports Agency Banking and Deposit-Taking ATMs. It highlights how banks reconfigure existing resources and develop new capabilities to adapt to a dynamic environment. Both agency banking and modern ATMs represent adaptive strategies enabling banks to reach more customers at lower costs while improving efficiency.
- **Liquidity Preference Theory** is tied to the Dependent Variable (Financial Performance). It helps explain banks' financial behavior in retaining liquid assets,

interest rate decisions, and profitability management under uncertain economic conditions.

2.2 Empirical Literature Review

Acharya (2019) utilized Andhra Bank in Pakistan as a case study to investigate business process reengineering in commercial banking. This paper's objective is to examine the role and effects of BPR using two structured surveys. The data was analyzed and the conclusions were produced using the SPSS software The revealed study that the primary aims of Andhra Bank's BPR were to strengthen the bank and reduce process time in business operations; both customers and employees supported the implementation of BPR. As a result, one may argue that BPR in its current form is viewed simply as a basic technological breakthrough.

As BPR is an ongoing process of screening and re-engineering to provide stakeholders with exceptional service delivery, each technology advancement must be supported by a shift in human attitudes and values. Kumar and Mishra (2016) conducted empirical study on the business process reengineering of the State Bank of India. The study used both descriptive and inferential research approaches. 351 State Bank of India employees were chosen as a sample from the study's 4,066 target population. The State Bank of India's BPR project performance was shown to be influenced by management commitment, change communication, process and systems management, monitoring, and evaluation.

According to the study's findings, State Bank of India employees were properly educated about business practices and the need for change at an early stage.

The study looked into all of Ghana's commercial banks and found that using technology was positively correlated with financial success.It was shown that the use of BPR was responsible for a positive and significant rise in return on assets year after year during the research period (2010-2015). Technology has been a major driver of Kenyan banks' performance during the last five years.

Deborah (2019) investigated how business process reengineering initiatives impacted Kenya Commercial Bank's performance. Kenya Commercial Bank was the focus of a case study approach. To collect primary data, an interview guide was used, and data was analyzed using content analysis. The research claims that business process reengineering is a useful tool for corporate organizations seeking to improve present organizational effectiveness and work toward a cost leadership approach within their sector.

It was proposed that companies trying to operate as financially and effectively as possible might still benefit from reengineering their operations. The reengineering of business processes is necessary for companies to attain breakthrough performance and a long-term organizational growth strategy.

2.2.1 Commercial Banks' Financial Performance and Internet Banking

Banking via internet, according to Allen (2021), is how banks provide their customers with information or services. It alludes to the framework that permits financial organizations to consumers, people, or enterprises to access accounts, perform transactions, and use a public or private network to gather information about financial products and services. Malhotra and Singh (2019) investigated the effect of internet banking on bank profitability and risk in the Indian banking sector. The study

specifically examined the impact of Internet banking on bank profitability and risk. Transactional Internet banking services are provided by 57% of Indian commercial banks , per a 2018 assessment of the websites of 85 scheduled commercial banks.

Internet banks outperform non-Internet banks in terms of size, operating efficiency ratios, and profitability, according to the univariate analysis. Internet banks are more dependent on core deposits for funding than non-Internet banks.

The aim of Al-Smadi and Al-Wabel's (2024) study was to evaluate how Jordanian bank profitability was affected by electronic banking. Fifteen banks in Jordan participated in the survey. The findings showed that bank profitability is significantly impacted negatively by electronic banking. E- banking has no positive impact on these institutions' earnings. Customers of Jordanian banks conduct their banking transactions through traditional channels. The findings revealed that the costs involved with establishing electronic banking continue to surpass the benefits from providing electronic services.

The effect of electronic banking on Kenya's commercial banks' financial performance was examined by Ongare (2023). The purpose of the study was to determine whether the numerous ATMs, consumer-issued debit and credit cards, point-of-sale terminals, and users of mobile, internet, and electronic payments transfers were independent factors were related to the dependent variables, such as performance as measured by profit after taxes. In Kenya's banking sector, the study's findings show that e-banking directly and significantly affects commercial banks' profitability.

According to the significance test, the study's cumulative power of bank innovations explains Kenyan commercial banks' earnings in a statistically meaningful way.

Maiyo (2023) aimed to investigate how electronic banking affected the financial stability of Kenyan commercial banks. The study's goal was to ascertain how Kenyan commercial banks' profitability was impacted by electronic banking. Determining the amount of e-banking use and its impact on Kenyan commercial banks' financial yield was the explicit goal of the study.

In the study, a descriptive research methodology was applied. To get first-hand information from respondents who worked for commercial banks, questionnaires were used. Additional first-hand information was obtained via Central Bank of Kenya monitoring reports and public commercial bank financial statements. The use of frequency charts and tables was appropriate. The association between the variables was demonstrated and explained through the use of multiple regression analysis.
In contrast to Internet banking fees and commissions and the expenses commercial banks expend to establish, educate, and maintain electronic banking platforms, the study revealed that fees and commissions from debit cards, credit cards, and mobile banking had a major influence on returns on assets. The broad use of e-banking has improved the performance of commercial banks due to its effectiveness, efficiency, and engendering nature. Another study on the impact of Internet banking on the financial performance of Kenyan commercial banks was conducted by Cheruiyot (2020). The mean of banking intensity, which was obtained from online feature data gathered from bank websites, was used to weight the internet variable. ROA and ROE metrics are used to assess performance. In this study, multiple regression analysis was recommended. The results showed a small but significant correlation between the services and profitability of online banking.

2.2.2 Commercial Bank Financial Performance and Agency Banking

A financial institution or mobile system administrator entering into a contract with a retail outlet, whether corporate or small market, to do bank clientless transactions is one way to differentiate agency banking (Calleo, 2024). By offering a "corresponding" and often increasingly convenient channel, banking operators help financial institutions reroute current customers away from crowded branches.

Financial organizations utilize professionals to reach out to additional supporters, particularly in developing countries. Mwachofi (2023).

Dias and McKee (2020) state that operators' financial services for banks may comprise asset transfers, bill payment, retirement and social benefit payment, wage payment, advance and payback payment, and balance Check books are requested, check books are collected by clients, bank mail and correspondence are collected for clients, mini bank explanations are prepared and distributed, and reports regarding account opening, advance applications, credit and debit card applications, and credit and debit card collections are collected.

In general, the agency banking approach is based on innovation to allow banks and supporters to communicate remotely. To check invoices for payment, banking professionals need a point-of-sale (POS) card reader, a cell phone, a standardized tag scanner, PIN cushions, and occasionally PCs that link to the bank's server via a personal dial-up or other information connection.; high interoperability is implied by excellent infrastructure. It also depends on channels being accessible in a practical way. Following the introduction of agency banking guidelines by the (CBK) in 2020, banks were urged to begin recruiting merchants as specialists in advanced channels.

Commercial banks' primary goal is to provide their customers with a comprehensive range of banking services without requiring them to visit a branch, and specialists are trained to provide central banking services in accordance with the bank's standards. Cost and accessibility are two obstacles to financial inclusion that are removed by this through allowing beneficiaries to get financial products and services in a more convenient place. The branchless banking model, which uses the words interchangeably, exemplifies agency banking as an expansion strategy. Branchless banking, as defined by Ivatury and Mars (2018), is a method of financial service delivery that eliminates the need for bank branches. The term describes a workable substitute for conventional branches that carry out banking via delivery channels such physical stores, cell phones, online, as well as (ATMs). Within the branchless banking model of agency banking, bank employees contract out some of the tasks that are typically performed in the bank lobby.

Watiri (2018) investigated the circumstances investigated how agency banking influenced Kenyan commercial banks' financial outcomes. Using a descriptive evaluation, he discovered that decreased transaction costs through agency banking had a favorable influence on Kenyan commercial banks' financial performance. At the time, just nine banks had implemented agency banking; by December 2014, sixteen institutions had continued to use the practice. The results are more accurate as a result. Furthermore, Watiri's research did not take into consideration financial performance prior to agency banking installation; nevertheless, the current study would provide a comparative analysis of financial performance following agency banking adoption in Kenyan commercial banks.

Kandie (2018) investigated how agency banking influenced Kenyan financial inclusion. To analyze the design, the researchers took a cross-sectional overview technique. Six

Kenyan commercial banks that provided agency banking services included the population. A dependent variable hypothesis was developed using auxiliary data and inferential statistical procedures. The results revealed a considerable positive link between agency banking and financial inclusion.

Wambugu (2021) examined the factors that influence Kenyan commercial banks' adoption of agency banking. The investigation's sole purpose was to determine the causes that prompted Kenyan commercial banks to recruit experts. The inquiry took the form of a descriptive report, with a focus on Kenyan commercial banks that adopted the agency banking model. The investigation's population consisted of four (4) commercial banks, with 45 (staff) persons serving as objective respondents.

According to the study, the following variables influenced the adoption of agency banking: diversifying consumers from congested banking lobbies, enhancing client inclusion, increasing income, and expanding the clientele outside of the existing branch to achieve high penetration among the unbanked. The scientist determined that commercial banks' adoption of agency banking is mostly driven by their need to expand operational capacity while simultaneously growing income and decreasing operating expenditures.

Kambua (2019) looked at how agency banking affected financial results of Kenyan commercial banks. Through analysis, the adoption of a descriptive study design was confirmed. For this study, 16 commercial banks with agency banking experience made up the population. The inquiry made use of auxiliary data gathered from previous sources, such as general business magazines, financial institution reports, and CBK bank supervisory reports. The study of the survey data included both quantitative and qualitative methodologies.

According to the report, the increased number of commercial bank experts had a domino effect on commercial banks' financial performance. As a consequence, the number of operators and financial success have a positive correlation. Furthermore, the study discovered a substantial relationship between money deposits, deposit and withdrawal volumes, and financial performance.

2.2.3 M-Banking and Commercial Banks' Financial Results

The process of carrying out a financial transaction related to a benefactor's file via a cell phone or other mobile device is known as mobile banking, according to Muisyo, Alala, and Musiega (2024). The provision and use of banking and financial services is another way to characterize M banking using mobile telecommunications devices. The services offered include account management tools, oversight of bank and financial exchange activity, and access to individual data.

Bank operations have been completely transformed by m-banking, which has led to the development of new products and services that are intended to reduce expenses and expand the customer base (Oluoch, 2022). For people who do not currently have access to banking services, m-banking may expand their access to formal financial services.

as well as improve the effectiveness of installment plans. Furthermore, it has made banking services more accessible and convenient for people with existing financial balances (Porteous, 2024).

The banking industry's financial performance will improve as a result. Mobile banking provides banks with several revenue-generating options. These include generating revenue from the estimation of supporters' analytics, establishing customized marketing campaigns based on consumer preference data and providing more significant continuing access to goods and services.It enables banks to go outside their geographic bounds, as

well as to strategically approach and upsell existing clients. Banks that deploy these additional mobile financial services have the potential to profoundly affect the banking relationship paradigm.

Rayhan (2023) anticipated that mobile phone banking may easily increase virtual financial balances for a large number of individuals who are now unbanked. The ability of electronic banking systems to offer a greater range of services at reasonable prices is enhanced by mobile phones. Mobile banking is an extension of online banking that is accessible from anywhere in the nation at any time.

It is quick, inexpensive, and safe, and as a result, it is becoming increasingly successful at promoting saving habits, which contributes to an increase in bank deposits.

Furthermore, a mobile phone enables low-cost banking and quick installment transactions. One advantage of mobile phones is that, according to Mbiti and Weil's (2024) premise, mobile systems may reach remote places with little to no effort from the buyer or bank. Ayuma and Kemboi also investigated the effect of mobile banking on the financial performance of Kapsabet Town's commercial banks in their 2019 study. The study's major goals were to determine how mobile banking deposits and withdrawals impact banks' financial performance, how mobile banking credits impact banks' financial performance, how mobile banking transactions impact commercial banks' financial performance, and how mobile banking bill installments impact financial performance.

The results validated a descriptive study approach that examined a few chosen Kapsabet banks. Supervisory staff, division executives, bank employees, and bank contributors from various banks in Kapsabet town were among the population being investigated. The researchers anticipated that the recipient would see instant benefits from mobile banking. Additionally, it found that mobile banking makes it simple to track loan specialists and

monitor them, that it protects quick asset exchange by saving money on time, that it makes bill payment simple and avoids installment payments, and that the productivity of banks in the area is impacted by completed mobile banking bill payment.

In their 2019 study, Ritho and Jagongo examined the impact of mobile banking on Kenyan commercial banks' financial results. Using a descriptive study design, the study sought to determine the relationship between the speed of m-banking services and commercial banks' financial performance, examine how the security of the m-banking framework affects the financial performance of commercial banks, how the expenses of m-banking services affect the financial performance of commercial banks, and how the skills needed to use m-banking services affect Kenya. All of the directors and supervisors of information innovation at the commercial banks' Nairobi central station were the primary focus of the study, which included 43 Kenyan commercial banks.

Exam results show that the cost of M-banking services significantly improves Kenyan commercial banks' financial performance. M-Banking earned the trust of the people by boosting financial system efficiency and trust. The study also discovered that M-banking's speed and security improved Kenyan commercial banks' financial results.

with many bakeries recording high deposit levels and building a sizable capital pool that willing investors could access, leading to increased profits.

Ndung'u (2018) did a research on financial institutions in Nairobi, Kenya, to assess how mobile and internet banking influenced their operations. The survey also aimed to show how frequently financial institutions employ online and mobile banking. A total of thirty financial institutions were investigated. According to the findings, online bill payment is the least popular online banking service, while balance inquiries are the most popular.

Commodity purchases were the least used mobile banking service, while money withdrawals were the most commonly used.

Wambari (2022) conducted studies to demonstrate the value of mobile banking in Kenyan private companies' daily operations. The study selected top employees (owners, heads, or supervisors) from an unusual sample of 20 businesses and gave them semi-structured questionnaires. While over 73% of mobile phone use in urban areas is for business, over 70% of mobile phone use in rural areas is for social communication, according to the poll.

The usage of mobile banking in developing nations was investigated by Laukkanen (2024), with a particular emphasis on the verification method used to provide SMS banking services. The research, which employed optional data, discovered that countries with poor internet infrastructure and limited access to electronic banking services have a high potential for SMS mobile banking services. In any event, the majority of developing countries, notably those in Africa, have poor internet access and bandwidth, and because their inhabitants are frequently underprivileged and unurbanized, many regions of the continent do not provide internet banking services. Online banking was and will remain the most attractive choice in wealthy countries, according to the poll, while SMS banking will become more popular in poor countries.

2.2.4 ATMs Accepting Deposits and Commercial Banks' Financial Performance

An (ATM) is a computerized telecommunications device, claims Sewpersad (2020) that facilitates financial transactions to supporters of a financial institution in a public area without the requirement for human help or interference from a banking staff. Before initiating the transaction, the donors enter a personal identification number (PIN) into the

machine, which they use to access their money balance after inserting their own "bank card" into the machine. One example of self-service innovation (SST) is the computerized teller machine has become the primary means of delivering financial services to recipients during the past few decades, claims Narteh (2021). ATMs were developed for retail banking for a variety of reasons, including lower labor costs, greater donor commitment, consistency of service delivery, and supporter loyalty and pleasure.

According to Jegede (2024), aside from points of interest, the arrangement of ATMs has only minimally benefited Nigerian bank performance due to the increasing increase of ATM extortion. The most significant components of ATM service quality, according to Narteh (2021), are convenience, dependability, usage, privacy, security, response, and satisfaction. Automated teller machines (ATMs), sometimes known as mechanized banking machines (ABMs), are electronic communications devices that, on behalf of financial institutions, provide financial services to the general public. In order to identify beneficiaries, both plastic ATM cards with magnetic stripes and plastic smart cards with chips that contain a unique card number and other security data, including an expiration date, are used in modern ATMs.

The supporter confirms by providing a personal identification number (PIN). Supporters can use an ATM to view their ledgers and make cash withdrawals, apply for credit card loans, verify record corrections, and buy prepaid phone credit. It is more convenient for supporters to withdraw money at their point of arrival rather than going to the bank. This lowers the cost of transactions that lead to financial performance while increasing their utility. Studies conducted by the Fannie Mae Foundation support this, which found that

the banking division's automated teller machines execute around 420 million transactions each year, producing $3.3 billion in net yearly revenues. Narteh (2021).

According to Adeniran (2024), one of the main reasons for the introduction of ATMs into the financial service delivery system was to reduce traffic in the bank's lobbies. A cross-sectional overview technique was used in the study to survey respondents about ATM services. Due to its convenience for supporters, lower transaction costs, and guaranteed service safety, the analysis concluded that using ATM services had a positive and noteworthy influence. The studies also found a slight but favorable correlation with cash accessibility.

Based on the usage of automated teller machines (ATMs) in Nigerian banks, Idris (2024) investigated how banks view donor satisfaction. According to the report, among other reasons, banks created ATMs to provide supporters immediate access to their money and to reduce access fees. According to the data, there is a link between supporter satisfaction and ATMs. The mean and standard deviation of accessibility to financial services were higher than those of security responses.

The effects of ATM infrastructure on the effectiveness of e-installments were examined by Ebiringa (2020). The clear lack of satisfaction with the quality of e-installment services, despite banks' expanded use of ATMs, prompted the inquiry, as did the need to uncover the primary elements driving this. A total of 1,141 ATM customers were assessed, and the investigation was mostly based on primary data acquired from these consumers.

Weighted ratings of responses to progress factors found in the literature and evaluated with the Factor analysis simulation model served as the basis for the evaluation. In order to successfully integrate the Nigerian banking system with the global system of

electronic payments through ATMs, the research states that appropriate infrastructure, such control, must be in place.

Abdullai and Nyaoga (2019) looked on how commercial banks in Kenya's Nakuru County performed operationally after using ATMs. Finding out how the installation of automated teller machines (ATMs) impacted the operating efficiency of commercial banks in Kenya's Nakuru County was the aim of the study. 56 employees from 28 commercial banks participated in the investigation. The expert used a straightforward arbitrary selection process to select 28 out of the 31 commercial banks in Kenya's Nakuru County. Kenya Commercial Bank, Co-operative Bank, and Equity Bank each have three branches, making a total of 31 commercial banks. Formal questionnaires were employed to gather data. The utilization of ATMs and operational success were found to be positively and significantly correlated by the study. Monyoncho (2018) investigated the relationship between Kenyan commercial banks' financial performance and e-banking technologies. The study specifically sought to determine the impact of ATMs on Kenyan commercial banks' financial performance, as well as the ways in which debit and credit cards, internet banking, and mobile banking influenced that performance.

All 44 of the CBK regulated commercial banks were part of the examination population. Using the specific variables of this inquiry, supplemental data over a multi-year period was acquired from commercial banks' financial announcements. The paper claims that continuous advancements in ATM technology provide financial institutions the chance to transform the machine from a tool for disbursing cash to a customer relationship tool that fosters loyalty among all parties involved. In addition to lowering credit and liquidity risk, banks are supporting credit cards to increase revenue. To find out how Automated

Teller Machines (ATMs) affect supporter satisfaction, Ibrahim and Mayowa (2024) utilized three carefully chosen commercial banks in Ilorin, the Nigerian state capital of Kwara.

The purpose was to see if there was a link between ATM use and supporter satisfaction in Nigeria. To collect primary data, the study employed structured questionnaires. During the transactions, 180 supporters—60 from each bank—were randomly selected at the ATMs and given questionnaires. The information showed a strong correlation between ATM use and supporter satisfaction.

According to Ogbuji (2022), one of the current alternatives to the time-consuming, labor-intensive transaction framework is Automated Teller Machines (ATMs), which draw inspiration from what are referred to as paper-based payment methods. A bank donor can conduct financial transactions at almost any automated teller machine (ATM) in the world ATM therefore performs the activities that bank cashiers and other counter workers would normally conduct. It runs electronically, so a supporter's request is processed immediately. Furthermore, it frees up supporter time for service delivery, allowing the benefactor to use that time for other profitable enterprises rather than standing in line in bank halls.

2.2.5 Government Regulations and Commercial Banks' Financial Performance

The CBK executes regulations under the Banking Act (see top 488). According to the CBK, the aim of these laws are to safeguard depositors and limit the possibility of bank operations being stopped owing to operational perimeters for banks, which can lead to widespread bank failures. The laws also underline the need of preventing banks from

being exploited for criminal purposes, such as tax evasion. Regulations also guarantee the secrecy of loan allocation in banks. To provide the best customer service possible, credit might be distributed to selected locations (Mwega, 2024).

Mwongeli (2021) oversaw a financial performance and rules examination to build the affiliation. The analysis specifically aimed to identify the relationship between Kenyan commercial banks' financial performance and capital abundance. 43 Kenyan commercial banks make up the research population, and the study period spans around 2015 to 2019. The link between the two variables was examined using the chi-squared independence experiment.

The results of the analysis of all the ratios revealed no relationship between the financial performance of commercial banks and the regulations. Although the great majority of banks can choose to meet the minimal capital requirements, the government must still make sure that standards are upheld to guarantee the stability of Kenya's banking sector. Vianney (2018) made an effort to evaluate the connection between Rwanda's commercial banks' financial performance and their regulation. He employed a descriptive study approach to examine the previously reported link. His sample size was ten commercial banks. Regulation has no appreciable impact on Rwandan commercial banks' financial performance, according to his research. He asserts that financial stability and prosperity, as well as the way financial institutions function, depend heavily on regulation. He urged that the Rwandan government introduce laws that would allow banks to function in a more favorable environment, perhaps increasing the financial stability of the country's financial institutions.

This investigation demonstrates that constraints have minimal impact on financial firms' financial success. Mwega (2024) undertook a contextual study of the Kenyan banking system to investigate the potential trade-offs between stability and regulation. The analysis is centered on the banking sector. The inquiry was conducted using an empirical technique that included quantitative work and focused on the study of authoritative viewpoints. According to him, the major purposes of legislation are to maintain financial stability and promote economic growth, whereas finance aims to expand economic functions. Vianney (2018).

It is vital to make changes since a greater emphasis on financial stability may stifle growth; conversely, a concentration on development may precipitate a future financial catastrophe. He said that financial sector innovations have enabled advances in the banking industry during the last decade. Supporters are now receiving nicer stuff, and service has greatly improved. On top of that, stability and profitability have improved. In this regard, this study finds that rules have contributed to an increase in profitability. Nonetheless, he claims that Kenya's financial sector is inadequately managed. Mwega (2024).

Changes must be made since an increased emphasis on financial stability might obstruct growth; on the other hand, an emphasis on development could lead to a future financial catastrophe. He claimed that improvements in the banking sector over the past decade were made possible by developments in the financial sector. The quality of service has greatly increased, and supporters are now getting superior items. Moreover, stability and profitability have improved as well. Consequently, this study demonstrates that rules have raised profitability. He maintains, however, that the financial system in Kenya is poorly run. In 2018, Vianney

The association between Rwandan commercial banks' financial performance and regulation was examined by Karemera (2023). The three primary objectives of the study were to ascertain the impact of the capital requirement ratio, liquidity ratio, and executives' solid ratio on the financial performance of commercial banks in Rwanda. A descriptive research methodology was employed in the study to examine the connection between regulation and the financial health of commercial banks. The results showed that none of the regulatory ratios used in this study could forecast Rwanda's commercial banks' financial performance with any degree of accuracy. The demand for capital was determined to be an unsubstantial explanation for Rwandan commercial banks' profitability. Furthermore, it was shown that neither the board efficacious ratio nor the liquidity ratio could account for the profitability.

2.3 Conceptual Framework

The conceptual framework establishes the link between the independent and dependent components. While internet, mobile, and agency banking, as well as ATMs that take deposits, were independent factors in this study, financial success was the dependent variable. In this study, the structure of government rules served as the moderating variable.

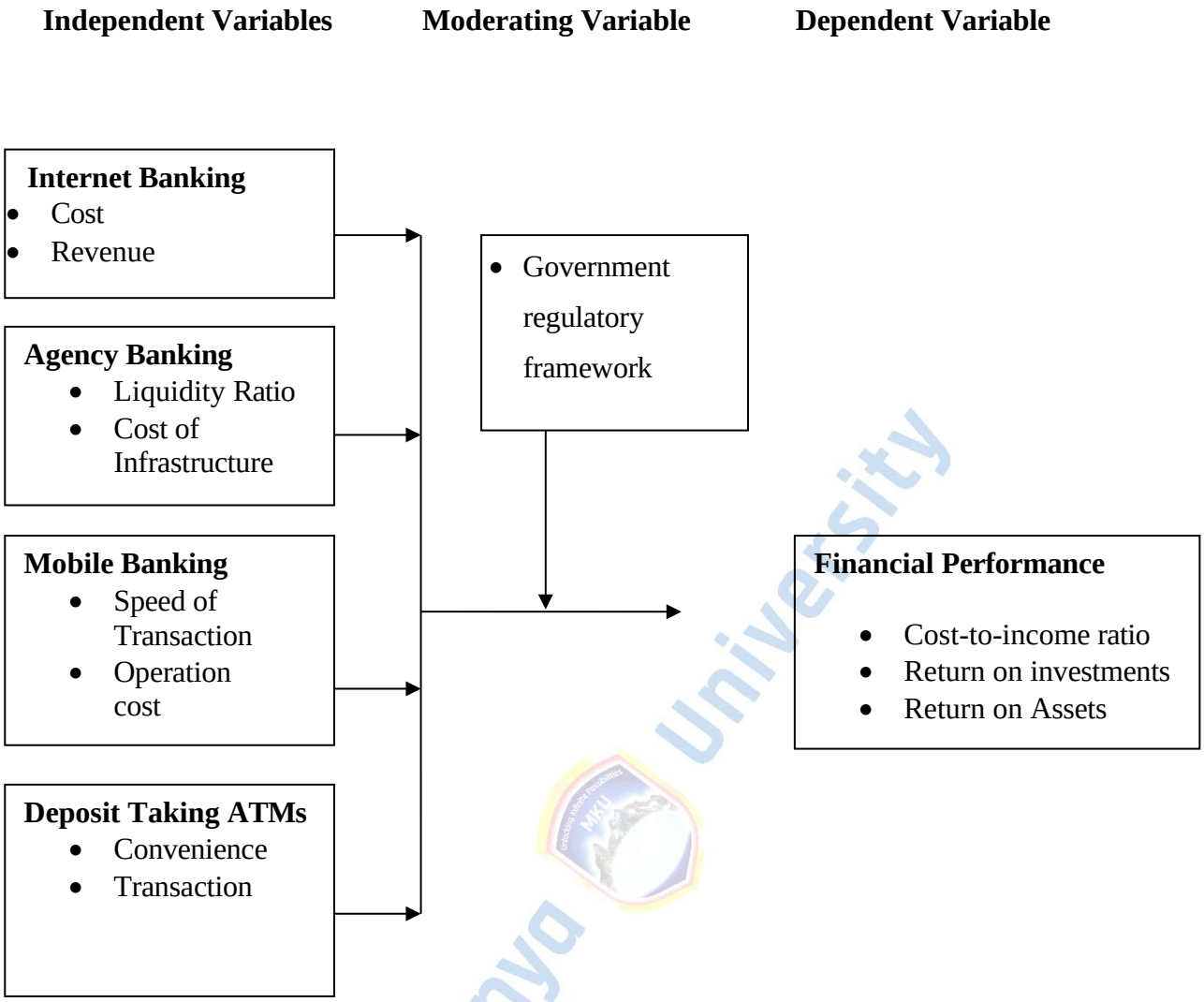

Figure 2: Conceptual Framework

Source: Researcher (2025)

2.4 Recap of Literature Review and Research Gap

A lot of research has been done on the financial performance of commercial banks.

Table 1 provides a summary of the results. Table 1: Target Gap Synopsis

Author	Study Title	Objective of the Study	Findings	Gap

Norah, (2024)	Reengineering Business Processes and Kenya Commercial Bank's Performance	With an emphasis on Kenya Commercial Bank, the aim of this study was to investigate the connection between organizational performance and business process reengineering techniques.	The study revealed numerous elements that influence the successful adoption of BPR, including managerial support, enhanced cross-functional connections, and efficient use of information technology.	While Norah's study concentrated solely on Kenya Commercial Bank (KCB) and its overall performance, the study identified a number of factors, such as improved cross-functional relationships, managerial support, and effective information technology utilization, that affect the successful implementation of BPR. providing a more focused analysis on financial outcomes rather than overall performance.
Rono, (2023)	Kenya Commercial Bank Limited's Business Process Reengineering and Strategy Development	The purpose of the study was to find out how Kenya Commercial Bank's strategy development was impacted by business process reengineering (BPR).	According to the findings, KCB needs to strengthen its business procedures in order to remain competitive in a market where customers want better goods and services. Given the industry's quick speed of change, the study emphasized the need of large performance	Although Rono's study concentrated on KCB and its use of BPR to construct its strategy, the present study broadens the scope to include the whole sector and looks at how BPR impacts Tier 1 commercial banks' financial performance in Kenya rather than simply KCB's strategic usage. Furthermore, the

			changes rather than gradual improvements.	present study explores the financial results of BPR, which were not the subject of the earlier study.
Agbadudu, (2020)	Reengineering Business Processes in Nigeria's Banking Sector	Investigating the relationship between business process reengineering (BPR) and productivity in Nigeria's banking industry was the aim of the study.	The study indicated that BPR was a successful technique for increasing company performance in Nigeria, particularly in a tough socioeconomic context marked by financial crisis and economic downturn.	current study, which is situated in Kenya, examines the precise effect of BPR on the financial performance of Tier 1 commercial banks, whereas Agbadudu's study was carried out in Nigeria and concentrated on productivity gains through BPR. Therefore, by looking at financial consequences rather than merely productivity in a new country, the current study builds on Agbadudu's findings

Mutua(2013)	Employee Perception of Business Process Reengineering's Impact on Mara-Ison Technologies' Performance	The study's objective was to investigate how staff members see business process reengineering's (BPR) effect on Mara-Ison Technologies' performance.	According to the study's findings, BPR was effective at Mara-Ison Technologies and greatly improved worker output, effectiveness, and overall organizational performance.	Mutua's research was more concerned with employee views of BPR's influence on organizational success at a technological business than with commercial bank financial performance. The current study addresses this gap by looking at the particular impact of BPR on the financial performance of Tier 1 commercial banks in Kenya, providing a new organizational backdrop and emphasis.
Nzewi & Moneme, (2015)	Reengineering business processes and the effectiveness of courier service providers in Nigeria's Anambra State	The study sought to determine how different The organizational performance of courier service companies in Anambra State was impacted by the features of business process reengineering, or BPR.	In the face of shifting rules, client expectations, technological disruptions, and environmental hazards, Nzewi and Moneme came to the conclusion that business process reworking (BPR) is an essential survival strategy in the cutthroat	The current study turns its attention to the banking sector, whereas Nzewi and Moneme's study concentrated on the courier service business. It investigates the relationship between BPR and commercial banks' financial performance, which was not discussed in the earlier study.

			courier service sector.	Therefore, the current study provides a sector-specific viewpoint that was not covered in Nzewi & Moneme's work by shedding light on how BPR affects a distinct industry—banking.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter describes the research strategy used in the study. The study's design, target population, sample, sampling process, and data collection tools are all thoroughly described. The methods for gathering and analyzing the data were also covered in detail.

3.1 Research Philosophy

For this examination, positivist research paradigm, which emphasizes the researcher's disassociation from the research subject was selected. By using this strategy, the researchers applied scientific methodologies, such as statistical analysis and experiments, to the performance of Tier One commercial banks. The positivist paradigm is especially useful for this study since it allowed for the methodical collecting and analysis of big datasets, increasing the reliability and validity of the findings. The goal of this technique is to create quantitative outcomes that may be used to influence banking decisions. Finally, using the positivist research paradigm gave a solid foundation for analyzing the measurable consequences of business process re-engineering, ultimately leading to evidence-based practices in Tier One commercial banks.

3.2 Research Design

The examination was conducted using a descriptive research approach. The descriptive study design aimed to provide accurate descriptions of a phenomenon's current state by identifying the types of predominant conditions, practices, and attitudes (Mugenda, 2018). Without changing any of the variables, the phenomena as it happens was explained by the descriptive investigation. Survey research is a study in which data is

collected from a random sample of relevant populations and properly calculated over a set period of time (Booth, 2016).

3.3 Target Population

Business development managers employed by Nairobi-based Tier One commercial banks were the study's target population. About six banks are classified as Tier One Banks, according to the Central Bank of Kenya (2021). A target population is a collection of individuals, objects, or events that seem to share traits or the whole set of elements that the researcher wants to employ to draw conclusions (Mugenda, 2018).

The units of analysis and observation were used to look at the target population. The analytical unit was made up of Nairobi's Tier One banks. The observational team was made up of financial managers from Nairobi's approved Tier One banks. Table 2 shows how Business Development Managers are distributed across specific Tier One Banks in Nairobi.

Table 2: Target Population

Tier 1 Commercial Bank	Business Development Managers
Kenya Commercial Bank	17
Cooperative Bank	21
Equity Bank	19
ABSA Bank	20
Standard Chartered Bank	9
Commercial Bank of Africa	12
Total	98

Source: CBK website (2025)

3.4 Sample Size and Sampling Method

To include every member of the target population, the researcher employed a census approach. A census, according to Mugenda (2018), is a sample approach that polls the entire population's numbers or things. Consequently, the researcher took into account every one of the 98 Business Development Managers at the Nairobi headquarters of Tier One Bank. A census is typically advised when there are less than 100 people in the target community.

3.5 Data Collection Instruments

Surveys that were both structured and semi-structured were employed to gather primary data. Compared to other methods, the questionnaire is a rapid way to collect data. Furthermore, questionnaires offer the researcher with precise information on a variety of topics. Time and money were saved by using the collected questions. while also simplifying analysis because they are immediately relevant (Kothari, 2019). A pilot research was conducted to refine these questions before the main data collection.

A limited set of volunteers filled out the surveys to assist identify any confusing or problematic questions. Their input was utilized to improve the questions, making them clearer and more dependable.

3.6 Validity and Reliability test

3.6.1 Reliability

The extent to which a tool measures the same thing when used to the same subject each time and conditions is known as measurement consistency, or reliability. Internal consistency was utilized to statistically analyze the reliability of the questionnaire. Internal consistency was measured using Cronbach's Alpha. Kothari (2017) states that the alpha value should be between 0 and 1, with dependability increasing progressively

as the number rises. In general, satisfactory dependability is indicated by a coefficient of 0.6 to 0.7, whereas strong reliability is indicated by a value of 0.8 or higher (Mugenda & Mugenda, 2018). The pilot research also made it possible to compute Cronbach's Alpha using the pilot sample, which allowed for an initial reliability evaluation. This gave information on the replies' consistency prior to the primary data gathering.

3.6.2 Validity of the Study

In order to confirm that the information on the questionnaire is relevant, the supervisor was contacted. Content validity was used because the supervisors were the experts who assessed the questionnaire's content. This study made advantage of content validity. This measures how well data collected using a certain method captures the substance of a given topic or concept. The supervisor and other subject-matter experts were consulted to confirm the authenticity of the research tool. The content validity of the questions was further strengthened by using feedback from the pilot research to evaluate their relevance and intelligibility.

3.7 Data Collection Procedures

The first stage in the data collection procedure was to secure an official letter from the university sanctioning the field research. Following that, the consent statement and letter will be delivered to the bank's management to request authorization to gather data from their facility. Due to ethical concerns, the researcher sought permission from many stakeholders to conduct the study. The researcher was approved by the university's Ethical Review Board and the Graduate School of Business. After getting university approval, the researcher requested for a research permission from the National Council for Science, Technology, and Innovation (NACOSTI)

To begin data collecting, a pilot research was conducted with a small sample of participants from the target demographic. Throughout the pilot, the researcher was able

to assess the questionnaires and make any necessary modifications based on feedback. After adjustments, the drop and choose later strategy was applied to the primary data collection. This method was used to deliver the completed questionnaire and the consent statement. Respondents were given at least two weeks to finish the survey, and arrangements were made for them to pick it up at a certain time later.

3.9 Data Analysis and Presentation

Data analysis approaches entailed meticulously examining acquired data for accuracy and completeness before combining it into a manner appropriate for statistical analysis (Sekaran & Bougie, 2016). Both descriptive and inferential statistics were employed in the data analysis for this study utilizing the SPSS software. The study's data were analyzed using descriptive statistics such as means, frequencies, and standard deviations. This facilitated the visualization of the data's features and patterns.

The study used inferential analysis, including regression and correlation. The degree to which the independent variables—technology, service delivery systems, and customer interface—influenced the dependent variable—SMEs' performance—was assessed using regression analysis; the study variables' linear relationship was assessed using correlation analysis.

Data analysis included finding patterns, summarizing the data, applying statistical methods, and bringing the amount of obtained data down to a reasonable level. Quantifiable information was collected for this study. The Statistical Package for Social Sciences (SPSS) version 24 was used to evaluate the quantitative data. Both descriptive and inferential statistics were employed in the research. Proportions, frequencies, measures of central tendency (mean), and measures of dispersion are examples of descriptive statistics.

(standard deviation).

Using multiple regression analysis, the link between the independent and dependent variables was determined. Orodho (2017) states that regression analysis is a statistical method for estimating the relationship between variables. It used a range of analytical and modeling methods. The regression analysis that was performed is depicted here. Regression analysis is a statistical approach for discovering correlations between variables, according to Orodho (2017). It included a wide range of modeling and analytic methodologies focusing primarily on how one or more independent variables relate to a dependent variable.

Regression equation employed:

$$Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

Whereby

Y = Tier 1 Performance of bank

X_1 = Internet Banking

X_2 = Agency Banking

X_3 = M- Banking

X_4 =Deposit Taking

ATM ε = Error Term

B_0 = Constant Term

B_1, B_2, B_3 B_4 = Beta Co-efficient

3.9.1 Hypothesis Testing

The researcher used multiple linear regression analysis to assess the study's hypotheses. This statistical approach was chosen because it establishes the direction and intensity of the association between the dependent variable (the financial performance of Tier One

commercial banks) and the independent variables (internet banking, M- banking, agency banking, and deposit-taking ATMs).

The model used was:

$$Y=\beta0+\beta1X1+\beta2X2+\beta3X3+\beta4X4+\varepsilon$$

Where:

- YYY = Financial Performance (ROE, ROA)
- X1X_1X1 = Internet Banking
- X2X_2X2 = Mobile Banking
- X3X_3X3 = Agency Banking
- X4X_4X4 = Deposit-Taking ATMs
- ε = Error term

Hypotheses were tested at **95% confidence level** using **p-values**. If the p-value for a variable was less than 0.05, the null hypothesis for that variable was rejected, implying a statistically significant relationship with financial performance.

3.9.2 Justification for Multiple Correlation and Regression

To evaluate the combined impact of the independent variables (online banking, mobile banking, agency banking, and deposit-taking ATMs) on the dependent variable (financial performance), the study used multiple linear regression analysis. This approach offers:

- **Multiple correlation coefficient (R)** to show overall relationship strength.

R-squared (R^2) to display the percentage of the financial performance variance that the IVs can account for.

Partial correlation was not appropriate as it isolates the effect of each independent variable while controlling for others, thus failing to show cumulative influence. Hence, multiple regression with accompanying R and R^2 statistics was used for both individual and combined effect analysis.

3.10 Diagnostic Test

To make sure that parametric statistics (correlation and multiple linear regression) were applied correctly, preliminary diagnostic testing was done. A normalcy test was applied to the diagnostic examination for the investigation. According to Campbell (2017), the goal of doing normality tests is to determine if the data is normally distributed. When doing multivariate analysis and parametric testing, the hypothesis on data normality is critical. The test results revealed whether the null hypothesis that the data came from a normally distributed population should be rejected or not.

3.10.1 Reliability Results

Cronbach's Alpha was used in reliability study to gauge the questionnaire's internal consistency. Ten responders from Tier One bank branches that were not sampled were given a pilot test.

The acceptable threshold for Cronbach's Alpha is 0.7 and above (Mugenda & Mugenda, 2018). The results obtained were as follows:

Variable	No. of Items	Cronbach's Alpha	Interpretation
Internet Banking	5	0.832	Reliable

Mobile Banking	4	0.786	Reliable
Agency Banking	4	0.801	Reliable
Deposit-Taking ATMs	3	0.769	Reliable
Financial Performance	4	0.845	Reliable

All constructs recorded Cronbach's Alpha coefficients above 0.7, confirming that the instrument was **reliable** for the main study.

3.11 Ethical Consideration

The authority of the Graduate School at Mount Kenya University, as well as approval from (NACOSTI), were sought to ensure that the procedure of this study complies with the principles of ethics required for such an activity. The identity of responders and the information gathered throughout the response process were safeguarded by coding. Objectivity was achieved by allowing the respondent to express an independent opinion while maintaining discretion and personal integrity. Clear explanations were provided before and after data collection, giving the respondent the option of participating, partially participating, or completely withdrawing before responding in order to acquire consent. Participants in the study were given verbal or gestured praise for their participation.

CHAPTER FOUR

FINDINGS AND DISCUSSIONS

4.0 Introduction

Results and discussions regarding the financial performance of Kenyan commercial banks and BPR are presented in this chapter. In the first part, the response rate is presented. We then present and explain the results of the descriptive and inferential analyses, respectively. The results validate the aims of the investigation.

4.1 Rate of response

Business development managers from Kenya's top-tier commercial banks participated in this poll. Although 98 questionnaires were sent to respondents, 96 of them finished them, yielding a 97.96% response rate for the study. Table 4 displays the findings.

Table 4: Response Rate

Respondents Sampled	No. of Questionnaires Returned	Response Rate (%)
98	96	97.96

Source: Survey Data (2019)

The high response rate, which can be ascribed to the researcher's involvement, was 97.96% (n=96), as indicated in Table 4. Nulty (2018) states that a 70% response rate is deemed sufficient for research. A 50% response rate is suitable, claim Mugenda & Mugenda (2018). 70% is rated great, whereas 60% is considered average. Therefore, it was decided that the study's response rate was sufficient for a study of this size.

4.2 Background Information

The survey looked at the historical data of the participants, such as their number of employees and market reach.

4.2.1 Market Coverage

Finding out how well the several banks under consideration covered the market was the researcher's goal. Table 5 displays the analysis's conclusions.

Table 5: Market Coverage

	Frequency		**Percentage**
International	6		6
Regional	42		44
National	48		50
Local	0		0
	96		100.0

Source: Survey Data (2025)

Fifty percent of banks were national, forty-four percent were regional, and six percent were foreign. This implies that most tier 1 commercial banks are represented nationally.

4.3.2 Bank Employees

Finding out how many employees there were in the tier 1 commercial banks under investigation was the researcher's goal. Table 6 displays the findings derived from the analysis.

Table 6: Tier 1 Commercial Bank Employees

Number of Employees	Frequency	Percentage
Below 10	0	0
Between 11 -50	0	0
Between 51-100	23	24
More than 100	73	76
Total	**96**	**100.0**

Source: Survey Data (2025)

The response rate, as shown in Table 4, was 97.96% (n=96); the researcher's involvement may have contributed to this high response rate. A 70% response rate is deemed sufficient for research, per Nulty (2018). It is said by Mugenda & Mugenda (2018) that a 50% response rate is suitable. 70% is rated as great, and 60% as average. Consequently, the study's response rate was judged sufficient for a study of this size.

In terms of the number of employees in in tier 1 commercial banks, Table 6 reveals that 76% of the banks employed more than 100 people, while 24% of the institutions had between 51 and 100 employees. Based on factors including capital, sales turnover, and personnel count, organizations can be categorized as small, medium, or big. SMEs range from tiny micro businesses with one or two employees that grow extremely slowly or not at all to rapidly expanding medium-sized companies that generate millions of dollars and, in most cases, employ up to 250 people (Fjose, 2020). In developing nations (including Africa), A small business may employ one or five people, while a major company employs more than 100. Although micro-enterprises employ five to ten people, and extremely tiny organizations may employ fewer than fifty, the most recent consensus definition, which is based on multiple research, classifies SMEs as those with less than 250 people.

4.4 Descriptive Findings and Discussions

Descriptive results and remarks pertaining to the study's objectives are presented in this section. Standard deviations (variation or dispersion) and means (central trends) are used to report the data. The five-point Likert scale, which is explained below, was used to examine the collected data. highly disagree (number 1), disagree (number 2), undecided (number 3), agree (number 4), and highly agree (number 5) are the possible responses.

4.1.1 Financial Performance of Tier One Commercial Banks and Internet Banking

A question about whether internet banking affects Kenya's top-tier commercial banks' financial performance was posed to the respondents. Table 7 shows the outcomes.

Table 7: Internet Banking and Tier One Commercial Banks Financial Performance

Statement	N	Min	Max	Mean	STD
Using online banking lowers the cost of transactions.	96	1	5	4.333	.909
Internet banking results in increased control over banking operations and unique skills.	96	1	5	3.824	.654
Customers who use online banking feel more secure than those who do it in person.	96	1	5	3.961	1.058
Due to its 24/7 banking services, internet banking gives businesses a competitive edge and increases the chance of retaining customers.	96	1	5	3.882	1.506
Online banking saves time by operating more efficiently.	96	1	5	4.058	.988
Using online banking improves control.	96	1	5	3.863	1.249

Source: Survey Data (2025)

This study's main objective was to investigate how internet banking affected the financial performance of Kenya's leading commercial banks. According to the data, most respondents (mean = 4.333; standard deviation = 0.909) concurred that utilizing online banking resulted in lower transaction costs. Online banking improves competence and control over financial activities, according to the researcher (mean = 3.824; standard deviation = 0.654).

Additionally, respondents agreed that customers felt safer using online banking than in-person transactions (mean = 3.961; standard deviation = 1.058). Furthermore, because internet banking provides round-the-clock financial assistance, the respondents (mean = 3.882; standard deviation = 1.506) agreed that it gives businesses a competitive edge and increases client loyalty. Additionally, it was decided (mean = 4.058; SD = 0.988) that online banking increases operational efficiency, which saves time. Lastly, the vast majority of respondents (mean = 3.863; standard deviation = 1.249) concurred that using internet banking boosts power.

The standard deviation, which ranged from 1.50609 to 0.65440, demonstrated how little the respondents deviated from the average. This implies that the difference between the highest and lowest scores was not very great. According to a study by Farell and Salomer (2004), internet banking expedites and simplifies standard, low-value banking operations like bill payment and balance checks via an online network. The results corroborate that finding.

4.1.2 The financial performance of Tier 1 Commercial Banks and Agency Banking

The question of whether agency banking affects the tier one commercial banks' financial performance in Kenya was also posed to the respondents. Table 8 presents the results.

Table 8: The financial results of agency banking and Tier One commercial banks

Statement	N	Min	Max	mean	std
Commercial banks' financial performance improves when agency banking is used since it boosts deposits and withdrawals	96	1	5	4.510	.612

The number of transactions made possible by bank employees has increased.	96	1	5	4,392	.695
High capital and liquidity are the results of the increased transactions made through agency banking.	96	1	5	4.196	.825
Banks can enhance the customer application process through agency banking.	96	1	5	4.020	1.140

Source: Survey Data (2025)

According to the study, using agency banking increases the volume of deposits and withdrawals, which boosts commercial banks' bottom lines. (Table 8). Additionally, the respondents (mean = 4.392; standard deviation = 0.695) concurred that the frequency of transactions facilitated by bank agents had increased. The majority of respondents also believed that more agency banking transactions resulted in more capital and liquidity (mean = 4.196; standard deviation = 0.825). Furthermore, the respondents (mean = 4.020; SD = 1.140) agreed that banks may use agency banking to enhance the customer application process.

There was little variation in the replies from the mean, as indicated by the standard deviation, which varied between 0.61229 and 1.14000. This implies that there was a slight difference between the best and worst answers. According to Christopher (2022), banking agents can assist financial institutions in luring current businesses away from congested branches by providing a "complementary" and frequently more pleasant path.

4.1.3 The financial performance of Tier One Commercial Banks and M-Banking

The issue of whether M-banking affects Kenya's Tier 1 commercial banks' financial performance was also posed to the respondents. The results are summarized in Table 9.

Table 9 : The Financial Performance of M-Banking and Tier One Commercial Banks

Statement	N	Min		Max	Mean	Std
Mobile banking fosters effectiveness and self-assurance, both of which increase client trust.	96	1		5	3.471	1.419
Commercial banks' financial performance is positively impacted by the security of financial services brought forth by mobile banking.	96	1		5	3.549	1.331
Because it allows banks to reach a huge number of potential clients without having to make significant investments in branch expansions, mobile banking is a cost-effective method.	96	1		5	4.353	.820
Improved proficiency with mobile banking enabled a business to expand its operations, increasing profitability.	96	1		5	4.216	.879
Accessing vital financial information is more convenient when using mobile banking.	96	1		5	3.098	1.171
Operating costs have significantly decreased thanks to mobile banking.	96	1		5	4.333	.712
In isolated places, mobile banking is more affordable.	96	1		5	4.392	.940

Source: Survey Data (2025)

According to the respondents who were chosen, m- banking improves consumer trust by increasing efficiency and confidence (mean = 3.471; standard deviation = 1.419). Additionally, it was demonstrated that the financial performance of commercial banks is enhanced by mobile banking, which results in higher financial services security (mean = 3.549; SD = 1.331). In addition, the participants recognized that mobile banking is a cost-effective strategy since it enables banks to connect with a huge number of prospective clients without investing much in branch facilities. The standard deviation is 0.820, and the mean is 4.353.

Additionally, respondents concurred that enhancing mobile banking capabilities allowed a business to expand its operations and increase profitability. (standard deviation = 0.879, mean = 4.216). According to the majority of respondents (mean = 3.098; standard deviation = 1.171), accessing important financial information is made simpler when utilizing mobile banking. Furthermore, the vast majority of respondents (mean = 4.333; SD = 0.712) claimed that mobile banking had significantly reduced operational expenses. Lastly, the majority of respondents (mean = 4.392; standard deviation = 0.940) thought that mobile banking was less expensive in rural areas. Kim (2019) claims that mobile banking enables users to access bank accounts and do tasks such transferring money, selling equities, confirming account status, applying for checks, and monitoring balances.

4.1.4 The financial performance of ATMs and Tier One Commercial Banks

The financial performance of Kenya's Tier 1 commercial banks was questioned in relation to automated teller machines. Results are shown in Table 10.

Table 10: ATM on Tier One Commercial banks financial performance

Statement	N	Min	Max	Mean	Std
Using a debit card makes getting cash from the bank more convenient.	96	1	5	4.520	.809
Bank operating costs are decreased when ATMs are used for banking transactions.	96	1	5	4.078	1.250
The bank's profits are increased by the high card usage, which brings in commission revenue.	96	1	5	4.490	.731
Using an ATM increases service quality and dependability, and ultimately.	96	1	5	4.000	1.059

Source: Survey Data (2025)

As seen in Table 10 (mean = 4.520; standard deviation = 0.809), respondents felt that having a debit card made it easier to get cash from the bank. Moreover, the majority of respondents (mean = 4.078; standard deviation = 1.250) thought that utilizing ATMs for bank transactions reduced bank operational expenses. Additionally, it was acknowledged that higher card usage brings in commission revenue for the bank, which in turn boosts bank profits (mean = 4.490; standard deviation = 0.731).

Furthermore, respondents acknowledged that using ATMs improved service dependability and quality (mean = 4.000; standard deviation = 1.059).

The last observation paralleled the findings of Evenett's (2023) study, which asserted that customers can check their account balances, obtain prepaid phone credit, make cash withdrawals, and receive credit card cash advances via an ATM. Because they can withdraw money at their point of contact without physically visiting the bank, customers enjoy greater convenience.

4.1.6 Financial Performance of Tier One Commercial Banks

Opinions of the tier one commercial banks' financial performance. The respondents' perspectives are displayed in Table 11.

Table 11: Tier One Commercial Banks financial performance

Statement	N	Min	Max	Mean	Std
The bank's cost-to-income ratio has improved since implementing business process reengineering.	96	1	5	4.745	.440
Better financial results have been reported by the bank since Business Process Reengineering was implemented.	96	1	5	3.177	1.352
The bank has reported higher profits from previously unprofitable revenue streams.	96	1	5	4.333	.683
Following business process reengineering, the bank was able to lower the cost of its operational procedures.	96	1	5	4.510	.579
The bank's return on investment has increased since implementing business process reengineering.	96	1	5	3.941	1.103

Source: Survey Data (2025)

The bank's cost-to-income ratio (mean = 4.745; SD = 0.440) was shown to have improved as a result of BPR. Additionally, the respondents thought that business process reengineering had enhanced the bank's financial results (mean = 3.177; SD = 1.352). Additionally, respondents agreed that the bank reported higher profitability on previously unproductive revenue streams. (Average = 4.333; standard deviation = 0.68).

Following the implementation of BPR, the respondents agreed that the bank was able to lower the cost of its operational procedures. (mean: 4.510; standard deviation: 0.579)

Additionally, respondents concurred that business process reengineering had improved the bank's return on investment. (standard deviation: 1.103; mean: 3.941).

4.2 Correlation Analysis

Using correlation analysis, the researcher determined the type and degree of relationships between the study's independent and dependent variables.

4.2.1 Financial Performance of Tier One Commercial Banks and Internet Banking

The study's goal was to determine whether internet banking and tier one commercial banks' financial performance were related. The results of the inquiry are displayed in Table 12.

Table 12: Internet banking and Tier One Commercial Banks' financial success are correlated.

The financial performance of Tier One Commercial Banks			
	Internet Banking	Pearson Correlation	.528*
		Sig. (2-tailed)	.012
N	96		

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data (2025)

The study discovered a statistically significant and partially beneficial relationship between tier one commercial banks' financial performance and internet banking. (Table 12). ($p = 0.012$; $r = 0.528$). This implies that first-tier commercial banks' financial performance is enhanced by greater use of internet banking. The study's results are

consistent with those of Berger (2023), who shown how information technology has expanded its application in service sectors, especially banking, as it allows financial institutions to offer clients high-quality services with less effort.

4.2.2 Financial Performance of Tier One Commercial Banks and Agency Banking

The study also sought to ascertain if agency banking and tier one commercial banks' financial performance were connected. Table 13 displays the study's conclusions.

Table 13: Correlation Between Agency Banking and Tier One Commercial Banks financial performance

Financial Performance of Tier One Commercial Banks			
	Agency Banking	Pearson Correlation	**.**573*
		Sig. (2-tailed)	.015
N		96	

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data (2025)

There was a favorable and statistically significant correlation between agency banking and the financial performance of first-tier commercial banks (r = 0.573; p = 0.015). Accordingly, commercial banks that use agency banking more frequently tend to have better financial outcomes. The results align with Atieno's (2021) findings., who discovered that agency banking affects banks' bottom lines by allowing them to offer greater customer service. Because agent banking leverages existing retail outlets to reduce fixed expenditures, it is not necessary for financial agent banks to make infrastructural investments.

4.2.3 The financial performance of Tier One Commercial Banks and M-Banking

The financial performance of tier one commercial banks was found to be correlated with mobile banking. The correlation study's findings are displayed in Table 14.

Table 14: The relationship between the financial performance of Tier One Commercial Banks and M-Banking

Tier One Commercial Banks financial performance			
	Pearson Correlation	.459 Sig. (2-tailed)	.022
	N		96

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data (2025)

Table 14 demonstrates a statistically significant and generally positive correlation between first-tier commercial banks' financial performance and mobile banking ($r = 0.459$; $p = 0.022$). Therefore, the increasing use of mobile banking enhances the financial performance of banks. According to Karjaluoto (2022), mobile banking is a crucial element as, in most regulatory regimes, the transaction costs of payments are significantly decreased when there is an electronically accessible store of value.

4.2.4 ATM and Financial Performance

The association between ATMs and the financial performance of Kenya's leading commercial banks was examined in the study's conclusion. The results of the correlation study are shown in Table 15.

Table 15: Correlation between ATM and Tier One Commercial Banks financial performance

		Tier One Commercial Banks financial performance
Automated Teller Machine	Pearson Correlation	.596*
	Sig. (2-tailed)	.018
	N	96

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data (2025)

The financial performance of Kenya's tier one commercial banks is positively statistically significantly correlated with the implementation of automated teller machines (r = 0.596; p = 0.018), as Table 15 demonstrates. The correlation study results showed that when more commercial banks install automated teller machines, their financial performance improves. This is consistent with Komal's (2019) results, which claim that the deployment of ATMs improves bank efficiency and lowers transaction costs, resulting in financial success.

4.3 Regression Analysis

The study examined how Kenya's top commercial banks' financial performance was impacted by internet banking, agency banking, mobile banking, and automated teller machines. Table 16 presents the findings in relation to the previously mentioned

Table 16: Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.682[a]	.464	.459	.62785

a. Predictors: (Constant), Internet Banking, Agency Banking, M- Banking, ATM

Source: Survey Data (2025)

The independent and dependent variables were positively and fairly significantly correlated, as Table 16 demonstrates. The dependent variable's responsiveness to changes is gauged by the R-Squared. The study's four independent variables—Internet banking, agency banking, mobile banking, and automated teller machine use—have an R-squared of 0.464. can account for 46.4% of the dependent variable, with other factors not covered in this study accounting for the remaining 53.6%.

Table 17: ANOVA

ANOVA[a]					
Model	**Sum of**	**df**	**Mean Square**	**F**	**Sig.**
Squares					
Regression	3.545	4	.888	9.338	.000[b]
1 Residual	4.386	92	.096		
Total	7.931	96			

a. Dependent Variable: Financial Performance of 1st Tier Commercial Banks

b. Predictors: (Constant), Internet Banking , Agency Banking, M- Banking ,ATM

Source: Survey Data (2025)

Analysis of variance was used in this study to evaluate how well the model fit the data. The model's ability to accurately predict the interactions between the four independent variables was shown by the p-value of 0.000, which is less than 0.05. Additionally, the model was deemed suitable for forecasting the impact of the independent factors on the dependent variable since the F value was less than the F-calculated value of 9.338.

Table 18: Regression Coefficients[a]

Model d Coefficients		**Unstandardized**	**Standardized Coefficients**		**T g**	**Si**	
		Beta	**Std. Error**	**Beta**			
(Constant)		1.083	.128			8.530	.000

1	Internet Banking	.315	.034	.434		9.516	.000
	Agency Banking	.160	.043	.222		3.787	.000
	Mobile Banking	. 314	.034	.433		9.486	.000
Automated	Teller machine	.226	.041	.305		5.626	

Source: Survey Data (2025)

As shown by the following equation, to ascertain the regression coefficients connecting the independent and dependent variables, the study additionally conducted a regression analysis:

$$Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

where Y stands for the tier one commercial banks' financial performance. Online banking is represented by X1, agency banking by X2, mobile banking by X3, and automated teller machines by X4. Without the use of predictor factors, the financial performance of tier one commercial banks is defined by the constant denoted by β0. The values of Unstandardized Coefficients (β) were used to solve the given equation based on the results shown in Table 17. The results show that internet banking and the financial performance of tier one commercial banks are positively connected agency banking, mobile banking, and ATM.

$$\text{Thus, } Y = 1.083 + 0.315X1 + 0.160X2 + 0.314X3 + 0.226X4 + \varepsilon$$

The tier one commercial banks' financial performance is worth 1.083 when predictor variables are not present. This suggests that if all other factors remain at zero, the tier one commercial banks' financial performance will always be 1.083. The findings also show

that for every unit change in online banking, Tier 1 commercial banks' financial performance will alter by 0.315 times. For every unit increase in agency banking, tier one commercial banks' financial performance would increase by 0.160 times; for every unit increase in mobile banking, it would increase by 0.314 times; and for every unit increase in ATMs, it would increase by 0.226 times.

4.4 Testing of hypothesis

The study tried to evaluate the following hypothesis: H01: Internet banking has no statistically significant effect on the financial performance of Kenya's tier one commercial banks. The findings revealed a p-value of 0.000, below the significance level of 0.05. Accordingly, the study concludes that internet banking significantly affects the financial performance of Kenya's tier one commercial banks and rejects the null hypothesis (H01) based on the significance threshold. The results support Ongare's (2023) conclusion that banking significantly and significantly affects commercial banks' productivity in Kenya.

The following hypothesis was to be investigated by the study: H02: The financial performance of Kenya's tier one commercial banks is not statistically impacted by agency banking. The results showed that the p-value was 0.000, below the significance level of 0.05. The study demonstrates that agency banking significantly affects the financial performance of Kenya's tier one commercial banks and rejects the null hypothesis (H02) based on the significance threshold.

The study backs up Watiri's (2013) claim that agency banking affects the financial performance of the country's commercial banks. The research also demonstrated a substantial positive correlation between financial inclusion and agency banking.

The study tried to evaluate the following hypothesis: H03: The financial performance of Kenya's tier one commercial banks is not statistically impacted by mobile banking. The results showed that the p-value was 0.000, above the significance level of 0.05.

Accordingly, the study concludes that mobile banking has a substantial impact on the financial performance of Tier 1 commercial banks in Kenya and adopts the null hypothesis (H03) based on the significance threshold. The study supports the findings of Too, Ayuma, and Kemboi (2021), who found that mobile banking will facilitate the immediate delivery of funds to the receiver.

Additionally, they came to the following conclusions: mobile banking makes it simple to track lenders and monitor them; it facilitates speedy money transfers by saving time; it makes paying bills simple and eliminates the need for cash; and it affects the efficiency of local banks.

The study made an effort to verify the following hypothesis: H04: Deposit-taking ATMs have no statistically meaningful effect on the financial performance of Kenya's tier one commercial banks. The findings showed that the p-value was 0.000, below the significance level of 0.05. Accordingly, the study rejects the null hypothesis (H01) based on the significance criteria and finds that deposit-taking ATMs significantly impact the financial performance of Kenya's tier one commercial banks. The results are consistent with those of Abdullai and Nyaoga (2017), who found that ATM use and the performance of commercial banks were positively correlated.

4.4.1 Model Summary

Model	R	R^2	Adjusted R^2	Std. Error of Estimate
1	0.793	0.629	0.614	0.345

The multiple correlation coefficient (R = 0.793) shows a substantial cumulative association between the predictors and financial success. The R2 score of 0.629 indicates that the four BPR measures explain 62.9% of the variation in financial performance.

4.4.2 Regression Coefficients

The coefficients table below presents the individual influence of each independent variable (IV) on financial performance, based on the multiple linear regression model.

Predictor Variable	Unstandardized Coefficient (B)	Std. Error	Beta (β)	t-Value	Sig. (p)
Constant	0.712	0.129	–	5.52	0.000
Internet Banking	0.215	0.043	0.318	5.00	0.000
Mobile Banking	0.188	0.051	0.254	3.69	0.001
Agency Banking	0.159	0.044	0.203	3.61	0.001
Deposit-Taking ATMs	0.127	0.046	0.176	2.76	0.007

- ✓ All four independent variables have positive and statistically significant effects on financial performance ($p < 0.05$).
- ✓ The β values indicate that internet banking (β = 0.318) has the strongest standardized effect, followed by mobile banking (β = 0.254).
- ✓ This confirms the individual significance of each BPR strategy, complementing the overall model fit established in Section 4.4.1 ($R^2 = 0.629$).

Therefore, the regression coefficients are consistent with the model summary and collectively explain 62.9% of the variability in financial performance among Tier One commercial banks in Kenya.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The main descriptive and inferential findings of the study are summarized in this chapter. A presentation of the findings derived from the data comes next. After that, the relevant suggestions are made. The chapter concludes by outlining possible directions for future study.

5.2 Summary of the Study

5.2.1 Internet Banking Tier One Commercial Banks financial performance

According to the survey, using internet banking saves money on transactions. It was also acknowledged that online banking results in differentiated competency and increased control over financial activities. Furthermore, respondents felt that utilizing online banking over counter transactions provides a sense of security for customers. The findings refute the theory that the financial performance of Kenyan tier one commercial banks is not statistically impacted by internet banking. This suggests that internet banking has a major influence on the financial performance of Kenya's top commercial banks. The findings refute the theory that the financial performance of Kenyan tier one commercial banks is not statistically impacted by internet banking. This suggests that internet banking has a major influence on the financial performance of Kenya's top commercial banks.

5.2.2 The financial performance of Tier One Commercial Banks with regard to agency banking

The statistics demonstrated that the use of agency banking improves commercial banks' financial performance by increasing the volume of deposits and withdrawals. Employees

at the bank were obviously facilitating additional transactions. According to the findings, agency banking has no statistically significant effect on the financial performance of Kenya's Tier 1 commercial banks. The financial performance of Kenya's Tier 1 commercial banks is therefore greatly influenced by internet banking. The findings support those of Atieno (2021), who discovered that more customer service is made possible via agency banking, which has an impact on banks' bottom lines.

5.2.3 M- Banking on Tier One Commercial Banks financial performance

Additionally, the study found that mobile banking fosters confidence and efficiency, both of which raise customer trust. Additionally, the study found that financial service security brought forth by mobile banking enhances financial performance of commercial banks. Additionally, it was acknowledged that mobile banking is an economical approach since it allows banks to reach a large number of prospective clients without having to invest heavily in branch openings. The results show that the financial performance of Kenya's tier one commercial banks is not statistically impacted by mobile banking. This implies that the financial performance of Kenya's Tier 1 commercial banks is significantly impacted by M banking.

The findings are consistent with Karjaluoto (2020), who noted that mobile banking is an essential feature as payment transaction costs are substantially reduced in the majority of regulatory regimes when a store of value is electronically available.

5.2.4 ATM on Tier One Commercial Banks Financial Performance

Additionally, the study demonstrated that utilizing an ATM during a banking transaction reduces the operational expenses of the bank. These findings disproved the idea that ATMs that accept deposits significantly affect Kenyan tier one commercial banks'

financial performance. This suggests that deposit taking has a major impact on the Kenyan Tier One Commercial Banks' financial performance Komal's (2021) research indicates that the number of ATMs installed is increasing bank productivity and reduces transaction costs, which leads to financial success.

5.2.5 Tier One Commercial Banks' Financial Results

After Business Process Reengineering, the bank's cost-to-income ratio improved, according to the figures. The respondents also concurred that when Business Process Reengineering was implemented, the bank's financial results improved. It was also acknowledged that the bank had reported greater profits from unprofitable sources of income. Additionally, the study discovered that banks were able to reduce operational procedure expenses after BPR.

5.3 Conclusions

The study found a correlation between online banking, agency banking, mobile banking, and ATMs and the financial performance of Kenya's top commercial banks.

5.3.1 Tier One Commercial Banks for Internet Banking in Terms of Financial Performance

According to the report, internet banking's round-the-clock services provide it a competitive edge and encourage customer loyalty. Additionally, it was found that online banking streamlines processes, saving time. Using internet banking gives you more control. With a regression coefficient of 0.242, the data showed a positive and substantial correlation between online banking and the tier one commercial banks' financial performance.

5.3.2 Agency Banking on Tier One Commercial Banks Financial Performance

The researcher found that more transactions are being facilitated by bank agents in the context of agency banking. Increased capital and liquidity are the results of increased agency banking transactions. Agency banking is a tool that banks can utilize to improve the client application process. There was a positive and statistically significant correlation ($r = 0.56$; $p < 0.05$) between agency banking and the financial performance of tier one commercial banks.

5.3.3 M- Banking on Tier One Commercial Banks Financial Performance

According to the survey, expanding mobile banking capabilities help banks expand their operations, which boosts profitability. Access to important financial data is made easier with the use of mobile banking. According to the study's findings, mobile banking has greatly lowered operating expenses. Banks can reach a lot of potential clients with mobile banking without having to spend a lot of money opening branches, which makes it an affordable alternative. The financial performance of tier one commercial banks and m-banking were shown to be positively correlated in a fairly significant way ($r = 0.450$; $p < 0.05$).

5.3.4 ATM on Tier One Commercial Banks Financial Performance

ATMs have an impact on tier one commercial banks' financial results. the researcher came to the conclusion that a high card usage rate adds to the bank's profits by bringing in commission income. In the long run, using an ATM improves service quality and dependability. According to the study, there was a substantial positive correlation between the use of ATMs and the financial performance of Kenya's tier one commercial

banks and statistically correlated ($r = 0.588$; $p < 0.05$). The results supported Evenett's (2021) assertion that customers can use an ATM to check their account balances, make access their bank accounts, make cash withdrawals, get credit card cash advances, and buy prepaid mobile phone credit

Convenience is increased because customers can withdraw money whenever they want without physically visiting the bank.

5.4 Contribution to Knowledge

ATMs should be placed in various areas that are conveniently accessible to clients, ensuring speedy service and convenience while also boosting bank operations. Similarly, to guarantee service reliability, ATMs should receive routine maintenance. To guarantee effective and efficient service delivery, banks should sign up with respectable ISPs. Additionally, the report recommends that bank managers concentrate on using advertisements to educate their clients about using internet banking. Banks should provide additional services to encourage more consumers to adopt online banking. Since internet banking will increase bank growth and save customers time compared to standing in line to receive service the old-fashioned way, commercial banks should promote its use. Banks should start teaching and informing their clients about the benefits of internet banking and the associated expenses.

Banks should also take measures to safeguard the agents in order to empower them to transact larger volumes and values. The danger to the agent is too large, and most will avoid being major dealers because to uneasiness. In order to increase penetration in regions that may normally be viewed as risky to operate from, banks should help agents get beyond this barrier. In order to preserve their privacy, the report also recommends

that clients receive education about how agency banking operates. Furthermore, the research advised that agents be regularly taught on the operation method and policies in order to eliminate the incidence of errors and mistakes, which are severely impeding agency banking penetration.

5.5 Participation in Practices and Policy

Based on the findings, the researcher suggested that managers provide effective coordination between employees and other stakeholders while handling strategic change. Another approach to do this is for team members to work together. The study also advised that senior management team members meet often in order to obtain current knowledge about organizational business, allowing them to design and install IT in accordance with business processes.

5.6 Further Research Suggestions

The researcher suggested that research be done on how business process re-engineering affected the economic performance of other Kenyan financial institutions, including Saccos and microfinance companies. Additional research on how agency banking affects the market share of commercial banks was also suggested by the researcher. The role that agency banking plays in assisting Micro Finance Institutions (MFIs) in advancing financial inclusion may also be examined.

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APPENDICES

Appendix 1: Consent Form

Dear Participant,

You are cordially invited to take part in the study '**EFFECT OF BUSINESS PROCESS RE-ENGINEERING ON FINANCIAL PERFORMANCE OF 1ST TIER COMMERCIAL BANKS IN KENYA''**.

It is a component of my Master's program in Business Administration (Finance) at Mount Kenya University. The participation is entirely voluntary, and responses will remain confidential and anonymous. It takes 30 minutes to complete the accompanying questionnaire. For questions, reach out to Dr. RuthWinnie Munene (0722835443), the supervisor, or the researcher, Bettt (0……..). We appreciate your help with this crucial study.

CONSENT

I understand and voluntarily agree to participate in this study.

Participant's signature _____ Date _____

Investigator's signature ___....__ Date __.....

Appendix II: Questionnaire

Instructions: Please make sure you answer the following questions correctly. Confidentiality: Your answers will be kept completely private. Please check the box or offer the correct response to each of the questions.

Section A: Commercial bank Profile

1 Select the financial markets which your commercial bank currently operates.

Global	[	]
Regional	[	]
National	[	]
Local	[	]

2. Number of employees in the commercial bank?

i. Below 10 [ ]

ii. Between 11-50 [ ]

iii. Between 51-100 [ ]

iv. More than 100 [ ]

Part B: Internet Banking on the Financial Performance of Banks

How internet banking impacts banks' bottom lines is the subject of the following. With 5 representing Strongly Agree (SA), 4 representing Agree (A), 3 representing Uncertain, 2 representing Disagree (D), and 1 representing Strongly Disagree (SD), please check (√) the level that most accurately describes your circumstances.

Statement	**SA**	**A**	**U**	**D**	**SD**
Using online banking lowers the cost of transactions.					
Internet banking results in increased control over banking operations and unique skills.					
Customers who use online banking feel more secure than those who do it in person.					
Due to its 24/7 banking services, internet banking gives businesses a competitive edge and increases the chance of retaining customers.					
Online banking saves time by operating more efficiently.					
Using online banking improves control.					

PART C: Agency Banking on Financial Performance of Banks

How Agency banking impacts banks' bottom lines is the subject of the following. With 5 representing Strongly Agree (SA), 4 representing Agree (A), 3 representing Uncertain, 2 representing Disagree (D), and 1 representing Strongly Disagree (SD), please check (√) the level that most accurately describes your circumstances.

Statement	SA	A	U	D	SD
Commercial banks' financial performance improves when agency banking is used since it boosts deposits and withdrawals.					
The number of transactions made possible by bank employees has increased.					
High capital and liquidity are the results of the increased transactions made through agency banking.					
Banks can enhance the customer application process through agency banking.					

PART D: M- Banking on the Financial Performance of Banks

The following concerns the impact of mobile banking on the financial performance of banks. How M-Banking impacts banks' bottom lines is the subject of the following. With 5 representing Strongly Agree (SA), 4 representing Agree (A), 3 representing Uncertain, 2 representing Disagree (D), and 1 representing Strongly Disagree (SD), please check (√) the level that most accurately describes your circumstances.

Statement	SA	A	U	D	SD
M- banking fosters effectiveness and self-assurance, both of which increase client trust.					
Commercial banks' financial performance is positively impacted by the security of financial services brought forth by mobile banking.					
. Mobile banking is a cost-effective strategy since it enables banks to connect with a large number of potential customers without having to invest heavily on branch openings.					
Improved proficiency with mobile banking enabled a business to expand its operations, increasing profitability.					
Accessing vital financial information is more convenient when using mobile banking.					

Operating costs have significantly decreased thanks to mobile banking.					
In isolated places, mobile banking is more affordable.					

PART E: ATM on Financial Performance of Banks

How ATM impacts banks' bottom lines is the subject of the following. With 5 representing Strongly Agree (SA), 4 representing Agree (A), 3 representing Uncertain, 2 representing Disagree (D), and 1 representing Strongly Disagree (SD), please check (√) the level that most accurately describes your circumstances.

.

Statement	**SA**	**A**	**U**	**D**	**SD**
Using a debit card makes getting cash from the bank more convenient.					
Bank operating costs are decreased when ATMs are used for banking transactions.					
The bank's profits are increased by the high card usage, which brings in commission revenue.					
Using an ATM increases service quality and dependability, and ultimately.					

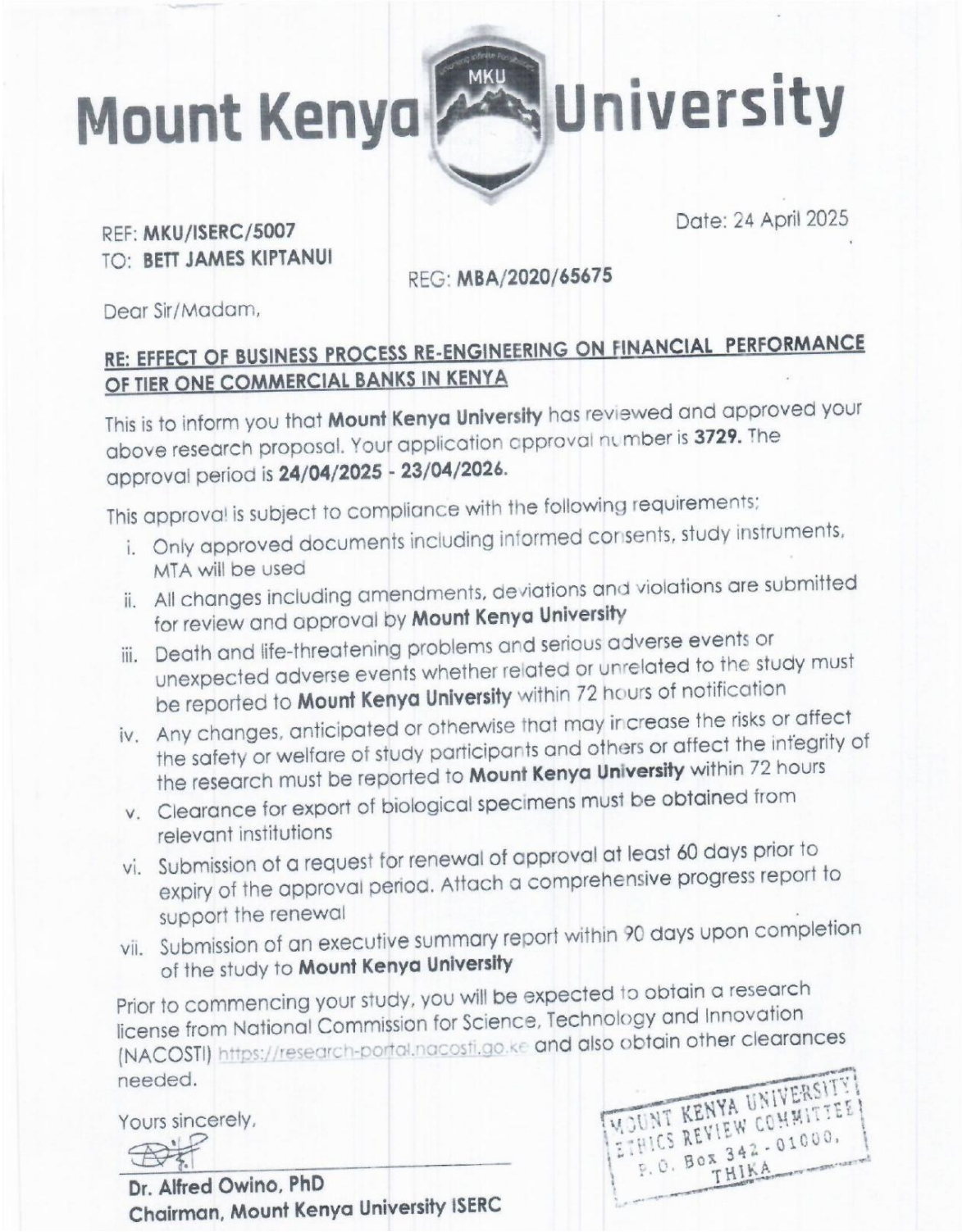
Part F: Financial Performance

The items listed below pertain to your institution's financial performance. With 5 representing Strongly Agree (SA), 4 representing Agree (A), 3 representing Uncertain, 2 representing Disagree (D), and 1 representing Strongly Disagree (SD), please check (√) the level that most accurately describes your circumstances.

Statement	**SA**	**A**	**U**	**D**	**SD**
The bank's cost-to-income ratio has improved since implementing business process reengineering.					
Better financial results have been reported by the bank since Business Process Reengineering was implemented.					
The bank has reported higher profits from previously unprofitable revenue streams.					

Following business process reengineering, the bank was able to lower the cost of its operational procedures.					
The bank's return on investment has increased since implementing business process reengineering.					

Appendix III: ERC Authorization Letter



Mount Kenya University

REF: **MKU/ISERC/5007**
TO: **BETT JAMES KIPTANUI**

Date: 24 April 2025

REG: **MBA/2020/65675**

Dear Sir/Madam,

RE: EFFECT OF BUSINESS PROCESS RE-ENGINEERING ON FINANCIAL PERFORMANCE OF TIER ONE COMMERCIAL BANKS IN KENYA

This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **3729.** The approval period is **24/04/2025 - 23/04/2026.**

This approval is subject to compliance with the following requirements;

i. Only approved documents including informed consents, study instruments, MTA will be used
ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
v. Clearance for export of biological specimens must be obtained from relevant institutions
vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) https://research-portal.nacosti.go.ke and also obtain other clearances needed.

Yours sincerely,

Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC

MOUNT KENYA UNIVERSITY
ETHICS REVIEW COMMITTEE
P. O. Box 342 - 01000,
THIKA

Appendix IV: MKU Authorization Letter

Mount Kenya University

DIRECTORATE OF GRADUATE STUDIES

MBA/2020/65675

28th April, 2025

National Commission for Science Technology & Innovation (NACOSTI)
Off Waiyaki Way, Upper Kabete,
P.O Box 30623- 00100
NAIROBI, KENYA

Dear Sir/Madam,

RE: BETT JAMES KIPTANUI - REGISTRATION NO. MBA/2020/65675

The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics.**

The title of the research is **"Effect of Business Process Re-Engineering on Financial Performance of Tier One Commercial Banks in, Kenya."** It has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **May, 2025 and July, 2025.**

Any assistance accorded to the student will be highly appreciated.

Thank you.

Mount Kenya University
P.O. Box 342 - 01000, THIKA
Office of the Director,
Graduate Studies

Dr. Samuel M. Karenga, PhD
Director, Graduate Studies
Enc.

Appendix V: NACOSTI Research Permit

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **621285**

Date of Issue: **13/May/2025**

RESEARCH LICENSE

This is to Certify that Mr.. James Kiptanui Bett of Mount Kenya University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: EFFECT OF BUSINESS PROCESS RE-ENGINEERING ON FINANCIAL PERFORMANCE OF TIER ONE COMMERCIAL BANKS IN KENYA for the period ending : 13/May/2026.

License No: **NACOSTI/P/25/4173471**

621285

Applicant Identification Number

Deputy Director
NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Verification QR Code

NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.

See overleaf for conditions

PLAGIARISM REPORT

FFECT OF BUSINESS PROCESS RE-ENGINEERING ON FINANCIAL PERFORMANCE OF TIER ONE COMMERCIAL BANKS IN KENYA

ORIGINALITY REPORT

20%	13%	11%	9%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

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