

**INVESTIGATION OF CROSS CULTURAL DIFFERENCES ON
INTERNATIONALIZATION:
(A CASE OF KENYA COMMERCIAL BANK)**

ONYANGO QUEENFRED ADHIAMBO

BBM/112/02593

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT FOR THE
AWARD OF BACHELOR OF BUSSINES MANAGEMENT DEGREE IN MARKETING
OF MOUNT KENYA UNIVERSITY**

OCTOBER, 2015

v ABSTRACT

The aim of this study was to establish the effect of cross cultural management practices on international operations in Kenya commercial bank limited. The study employed a case study research design since it was focusing on Kenya commercial bank limited. The case study was considered appropriate since it enabled the researcher to conduct an in- depth investigation on the matter. Data was collected from senior managers firm various departments in the organization through an interview guide. Content analysis was applied in making inferences from the data that was collected. The results indicate that the bank expanded its operations to the countries above because of the need to achieve its vision of becoming the preferred provider of banking services in the region. This was the main driver behind its regional expansion. The other reason for expansion is the availability of resources. Kenya Commercial Bank is the largest bank asset base in the region and also in profitability. The availability of resources gave the bank the momentum to expand its services to other countries within the region. The study was able to reveal that culture plays a very paramount role in internationalization of any business. For the case of KCB, culture guided the bank on the activities to do and those the bank could avoid. Since culture is the way of life of the people in host countries, it assisted the bank to understand the people and their way of life. This understanding was very central in establishing a firm business foundation that recognized and respected the values of the people in the host country. The findings also reveal that Kenya Commercial Bank Limited handles cultural issues with a lot of seriousness since they form the foundation of successful foreign subsidiaries. The study confirmed that culture defines people hence a clear understanding of their culture will determine the whether the bank succeeds in its foreign subsidiaries. The study recommends that important for firms expanding into the international market to give cross cultural issues the attention they deserve. This will enable them to build a strong foundation that shuns cultural conflicts and has the ability of propelling the business to higher levels of success.