

**PROJECT TITLE: EFFECT OF E-BANKING ON FINANCIAL  
PERFORMANCE**

**CASE STUDY: COMMERCIAL BANKS IN THIKA TOWN**

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## **ABSTRACT**

The focus of the study will be on electronic banking and its growth prospects on commercial banks. Basically, the problem of the study was based on the question; has the introduction of E-banking impacted growth on commercial banks in Thika? Growth in commercial banks can result from other operations apart from E-banking, thus the study endeavored to find out the growth of commercial banks as a result of E-banking.

The study seeks to focus on the following objectives; to explore how commercial banks have been able to extend their services and fulfill transactions by use of E-banking, to examine how E-learning has brought about branchless banking by linking all branches together, to determine how E-banking has brought reduction in costs, time and paperwork associated with commercial banking and to determine whether E-banking has provided a new and easy way of accessing credit through credit cards. These objectives as they are formulated will seek to address E-banking growthprospects. The data used for analysis of data obtained from questionnaires was analyzed by the use of excel program. Data presentation was done by use of tables and graphs where percentage was used to determine the magnitude of issues in the research. The study found from the analysis that e-banking has an impact on the growth of commercial banks in Thika in terms of cost, time and paperwork reduction, easy way to access credit through credit cards and branchless banking. In conclusion, the research findings revealed that all banks in Thika have adopted e-banking although in different areas and are currently delivering their services through E-banking and those banks which have not embraced e-banking should do so to enhance their growth in the banking sector.