

**ROLE OF BUREAUCRACY ON EMPLOYEE PERFORMANCE IN THE
BANKING SECTOR: A CASE STUDY OF COMMERCIAL BANKS AT GILGIL
SUB-COUNTY**

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ABSTRACT

The purpose of this study was to find out the role of bureaucracy on staff performance in the banking sector at Gilgil Sub- County with aim of helping the banking industry to overcome the challenges of this system of administration. The study was guided by the following objectives: To examine the effect of decision making process on employee performance in Commercial banks, to find out how communication influences employee performance in Commercial banks and to analyze to what extent organizational structure affect employee performance in Commercial banks at Gilgil sub-County. The study focused on five banks with Gilgil Sub- County with a view of determining if their staffs are affected the same way by bureaucratic leadership. Stratified random procedure was used and a sample of 30% was drawn from the study population. The respondents were picked using simple random technique. Questionnaires with open ended and close ended questions were administered as well as through unstructured observation by the researcher. Qualitative data was obtained from interviews. The analysis was done using the SPSS 6.0 statistical tool. The findings were represented in frequency distribution tables, bar graphs, histograms and pie charts for ease of comparison. From the findings of the study the current organizational structure is working for the commercial banks. This is indicative of decision making process which is effective thus ensuring that staff performance is not affected. The chain of command in the current organizational structure enhances institutional effectiveness and the management pinpoints the key functions and tasks requisite for successful staff performance. Even though the organizational structure inhibits free flow of communication in that it must flow the established chain of command it does not affect the employee performance.