

**EVALUATION OF E- BANKING STRATEGIES ON ORGANIZATION PERFORMANCE:
CASE OF KENYA COMMERCIAL BANK**

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Abstract

This study evaluated how E-banking strategies have influenced performance of Kenya Commercial Bank. The research problem was studied through the use of a quantitative survey research design. The population of the study was 450 employees at Kencom house. Out of the total population of 450 employees of KCB at Kencom house, a sample size of 80 was taken. Questionnaires were administered to the respondents through the drop and pick method. The study was carried out through a pilot study in order to pretest and validate the questionnaires. This study adopted quantitative approach to analyze data collected on the influence of E – banking on performance of Kenya Commercial Bank, Nairobi county Kenya. The findings of the study revealed that different E-banking strategies such as Mpesa funds transfer, Online funds transfer and Agency funds transfer in one way or another enhanced the performance of the bank. According to the findings, Mpesa funds transfer is a significant factor that affects the performance of KCB represented by a coefficient of 0.365. In addition findings indicated that e-banking enhances better customer service and improves the performance of the bank as evidenced with the positive coefficient of +0.476. a change in 1(one) unit of Mpesa funds transfer would lead to a negative change in 0.75 units of organization performance while a change in 1 unit of Agency funds transfer would lead to a positive change in 0.4 units of organization performance. At the same time, a change in 1 unit of online funds transfer would lead to a positive change in 5.91 units of organization performance. Lastly, a change in 1 unit of Mobile bank funds transfer would lead to a positive change in 6.03 units of organization performance. It was further noted that 49% of any change in organization performance in KCB is explained by Mpesa funds transfer, Agency funds transfer, online funds transfer and Mobile bank funds transfer. The other 51% is explained by variables not considered in this study. From the t-test conducted, Mobile bank money transfer, Mpesa funds transfer strategy and online funds transfer strategy have a significant impact on organizational performance of KCB. However, agency funds transfer strategy has no significant impact on organizational performance of KCB. Based on these findings the researcher recommends that Management should adopt the use of E-banking strategies in all other subsidiary banks that operate in other geographical locations. However, since customers had varying views about the safety or security of some E-banking strategies It is important for management to come up with different measures and interventions geared towards minimizing or eradicating such risks altogether. This will translate to greater customer satisfaction which is one of the components of performance.