THE IMPACT OF SOCIAL NETWORKS ON EMPLOYEE PRODUCTIVITY IN COMMERCIAL BANKS IN KENYA: A CASE STUDY OF NIC BANK KENYA.

BY

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UNITED STATES INTERNATIONAL UNIVERSITY - AFRICA

SUMMER 2015
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A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfillment of the Requirement for the Degree of Masters of Business Administration (MBA)

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SUMMER 2015
STUDENT’S DECLARATION

I, the undersigned, declare this my original work and has not been submitted to any other college, institution or university other than United States University in Nairobi for academic credit.

Signed __________________________       Date: __________________________

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This project report has been presented for examination with my approval as the appointed supervisor.

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ABSTRACT

The general objective of this research was to assess the use of social networking sites and their influence on employee productivity in Kenyan commercial banks with a focus on NIC Bank. The study sought to achieve the following objectives: Determine the use of social media networks in Kenyan banks; to investigate the effect of social networking sites on employees’ productivity at NIC Bank and to identify the strategies that can be used by financial institutions to improve employee productivity via social media networks.

The study adopted descriptive research design with the population under study being employees at NIC Bank Head Office. Simple random sampling technique was used to determine the sample size because of the homogeneity of the population and to reduce high refusal rates. The sample size was 50 employees. The collection of the primary data was done using structured questionnaires that were pilot tested first and then administered. The coding of the data was done with the use of Microsoft Excel as well as SPSS to generate the descriptive statistics like; frequencies and percentages. The presentation of the results was in form of tables and figures, as well as cross tabulations.

The study findings reveal that social media was widely in use both by employees and by NIC Bank. Employees access social media multiple times a day on their devices in spite of the restrictions and existence of a social media policy. Employees accessed through their smart phones, tablets and other personal devices for a duration of between 1 and 2 hours. NIC Bank actively used social media for to reach customers, promote and market its products amongst other reasons. The study found that contrary to expectation, the existence of a policy did not completely deter the use of social media during working hours. The findings additionally reveal that employees were interrupting work to access social media. The study further revealed that there was a weak to moderate relationship between social media use and employee productivity. Employee productivity could not be fully explained by use of social media during working hours. Finally, the study also found that NIC Bank had implemented various strategies such as crowdsourcing, ‘Facebook Fridays’ and enterprise social networks to certain extents as it sought to improve employee productivity.
The study concluded that it was impossible for organizations to completely restrict use of social media by its employees during working hours. Employees would still find ways to access in spite of restrictions. The study also concludes that social media has a very weak impact on employee productivity. Other factors are responsible for decreased employee productivity. However, in spite of the weak relationship, banks should not ignore the use of various strategies such as social media policies, disciplinary actions, ‘Facebook Fridays’ amongst others in controlling the use of social media during working hours.

Imposing a total ban on access to social networking sites at work is no longer practical or possible. Social networking websites are being created every week. The task of blocking access to every social networking website would be tedious and never ending. The study recommends that banks acknowledge this and look for a balance between social media use by employees while at work. Additionally, the study recommends the use of social media by banks to enhance its brand, promote and market new products as well as to handle customer issues. The study also recommends that in spite of the weak relationship between social media and employee productivity, there exists a relationship that cannot be ignored. In light of this the study finally recommends that banks implement various strategies such as a social media policy, disciplinary actions amongst others to improve employee productivity via social media.
ACKNOWLEDGEMENT

I would like to express my great appreciation to my supervisor for his valuable and constructive suggestions during the planning and development of this research work. The willingness to give his time so generously has been sincerely appreciated.
DEDICATION

I would like to dedicate this research to my family, friends and colleagues who supported me throughout the process.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

Today’s business world has been faced with momentous challenges on a global scale ranging from financial crisis, ever increasing competition, dwindling and unpredictable flow of natural resources such as oil, rising cost of living and reduced profits. Revitalizing and possibly even reinventing the culture of organizations and the way they do business is vital to achieving increased levels of workplace productivity and employee satisfaction (Pitt & Bennett, 2008).

Employees who are regarded as assets of the organizations have a greater role to play to make organizations succeed in this ever changing environment. Economies and organizations are in continuous change where the reliance on manual workers is shifting to productivity of knowledge workers. According to Ramírez & Nembhard (2004), knowledge workers account for more than two-thirds of the workforce with digital literacy and social networking becoming a mandatory skill in life not just for individuals but also organizations.

Social networking is a way in which many individuals come together and form many sized groups. These groups may be big, small, formal, informal, intentional or unintentional. They are an organized method through which groups are formed, help is acquired, information is conveyed, and actions are taken to achieve certain outcomes. When it comes to online social networking, websites are commonly used. These websites are known as social networking sites (SNS) which include sites such as Facebook, Twitter, YouTube, Instagram, LinkedIn and Skype to name a few which have led to fundamental changes in the ways people interact as employees and also organizations (Martensen et al., 2011).

Networking sites are generating mixed feelings and are being used by millions of people across the world. They have altered certain forms of human behavior such as inhibitions to sharing information (Bakker and Demerouti, 2008). At the workplace, employees are spending more time on social networking sites engaging in non-work related activities such as creating personal networks, checking on family and friends, streaming and downloading music and
video, checking sports scores and following social bookmarks among others (Pitt and Bennett, 2008; Richards, 2012).

The rise of information technology coupled with the ever expanding possibilities of the internet has ensured that emerging technologies like social media gain entry into the workplace where there has been experience of increased productivity and workflow as a result of the possibilities of the internet which include; informal learning, creation and sharing of knowledge, retention of organizational knowledge in searchable formats and effective communication using computer aided technologies (Hutley, 2009; Zyl, 2009).

The social media tools in today’s business environment have also gained importance due to the increasing complexity of the global business setting which involves global coworkers, customers and suppliers. Business processes have also become so complex that they must be automated because employees can no longer perform all the tasks required in the time available (Hutley, 2009). As a result, organizations today are constantly facing the challenge of contextualizing this phenomenon and its effects on the employees’ ability to perform duties assigned to them and the ability to draw boundaries between personal and professional use of organizational information technology resource. Wasting time through internet activities is simple and it is a huge hidden cost to businesses. If the company has an eight-person department and each of them spends an hour a day doing personal stuff, that is a whole day wasted (Babinchak, 2011).

To avoid time wastage, most companies have blocked social networking sites at the workplace. However with the increase in the number of social networking sites and their accessibility on mobile phones, it becomes difficult for an IT technician to block all sites (Baker et al., 2011). As a result in some companies most employers have opted to monitor their employees’ social media usage amidst an ethical debate on the right to do so. Proponents of monitoring argue that this is proper as the employer has the obligation of ensuring that productivity is enhanced and company time is not wasted or abused (Binshan & Wen, 1998).
Businesses have also adopted social media and using them to discuss their products and services. Consumers like to use services which not only tell them about themselves but also listen to them. In the US, TD Bank has dominated social media and has a team that constantly keeps an eye out for any activity on social media. The bank has taken a vigilant stance responding to comments on their brand channels from diffusing negative posts to thanking followers for their kind words. Through this the bank has created a social presence that humanizes their brand ranking the top in the US. The bank has argued that this connection has gone a long way in making their customers happy and they always keep that in mind when developing their social strategy (Team eValue, 2015).

In India, ICICI Bank and HDFC Bank Limited understand the use of social media so well and rather than selling their products only, they are also engaging their consumers on SNS (Sweta, 2011). With Only five banks in the world having passed the 1 million ‘Likes’ mark on Facebook, Indian banks are doing well being among the three of the five banks surpassing the 1 million mark with the banks amassing 6 million fans, with a third of those belonging to ICICI Bank alone and HDFC Bank with 1.5 million fans (Financial Brand, 2013).

Kenyan banking sector has not been left behind on social networking sites. The country has the most diversified, mature banking sector in the region, with currently 43 licensed commercial banks and a number of other financial institutions. A look at the largest banks - those who by default should be engaging a mass audience - shows that they do venture out into the social media space, but again with uneven results (CCK, 2013).

Commercial and blue chip entities like Equity Bank has around 15 Facebook pages, most, maybe all, of which are not official and do not provide any substantial information. Their Twitter account appears to have been opened once in 2009, updated briefly, and was then forgotten. Their CEO also maintains a Facebook page, but does not seem to use it to engage with people. Barclays Bank of Kenya has several unofficial Facebook pages with one that is run by the bank and updated once every month and a slow pattern of social media updates on Twitter as well. Kenya Commercial Bank has a Twitter and Facebook account that is well managed and actively involved (Kimani, 2012). KCB joined social media two years ago and
due to the nature of their customers who are mostly young and urban, the bank won the social media award in January 2015 (Obura, 2015).

National Industrial Credit Bank Limited was incorporated in Kenya in 1959 and obtained its commercial banking license in 1995. In 1997 the bank merged with African Mercantile Bank Limited. In 2005 the bank renamed to NIC Bank Limited and since then, the bank has been a one stop financial services shop. NIC Bank has also not been left behind in social media involvement and the bank has official pages in Facebook, Twitter, YouTube, Instagram and LinkedIn accounts which are active with frequent updates and responses to customer inquiries. (NIC Bank, n.d.)

Having identified their commitment to social networking sites, NIC Bank has not lagged behind in technology with the bank launching a mobile application in the year 2014 that was intended to enable customers to trade in shares on the Nairobi Securities Exchange (NSE). The application was designed for use on all mobile devices allowing their clients to view their account status, access stock prices and receive market updates and tips instantly. The idea behind the application was to ensure their clients enjoy the flexibility of being mobile (Linington, 2014).

It is thus clear that SNS has become a focal point for almost every human activity and interest (Haythornthwaite and Wellman, 2002). Human nature dictates the need to form alliances or networks in order to form communities for family, education, religion, work and personal interests. In the last six to seven years, innovative SNS websites have crept into employees’ personal spaces and by extension the workplace (Shirky, 2008). With the explosion of the social media phenomenon making it part of daily life to many people, there is need for studies on ways to strike a balance between social media use and its effects on employee productivity.

1.2 Problem Statement
Relevant literature has shown that the popularity of social networks is increasing in use in the workplace. Social networking by employees affects their skills, abilities, knowledge, qualification, productivity, outcomes and motivation level. Organization’s productivity and
profits are based on its employee’s performance, and its employees are strongly connecting to social networks. When employees spend between 1 to 5 hours on social media, organization’s performance is bound to be impacted somewhat. This presents concerns for employers. This comes at a time when organizations on a global scale have been faced with a multitude of challenges and are looking for different ways to remain afloat. One of the challenges of this business age is to enhance productivity of the workforce in order to increase profits and avoid wastage of resource.

There have been various studies attempting to address the impact of social media on employee productivity. One such study undertaken in Kenya by Munene & Nyaribo (2013), examined the extent of social media participation by employees and its effect on their productivity. The study did not focus on any specific population but rather a population that has internet connectivity. There have been other studies undertaken on social media and productivity but these have been outside of Kenya.

This study aims to establish if employee productivity is impacted by social media use during working hours within Kenyan banks. Unlike the study by Munene & Nyaribo (2013), this study will focus on employees who work in Kenyan Banks. The study will additionally seek to establish if there is an impact, how organizations can utilize various strategies to ensure employee productivity is not compromised while they use social media.

1.3 General Objective
The general objective of this research was to assess the use of social networking sites and their impact on employee productivity in Kenyan commercial banks with a focus on NIC Bank.

1.4 Specific Objectives
The study will be guided by the following specific objectives:

1.4.1 To determine the extent to which social media networks are used.
1.4.2 To investigate the effect of social networking sites on employees’ productivity at NIC Bank.
1.4.3 To identify the strategies that can be used to improve employee productivity via social media networks.

1.5 Significance of the Study

1.5.1 Bank Managers
The management of banks may want to know how to manage and increase employees’ productivity while using social networking sites. The findings from this study may enable them to realize the extent to which their employees’ productivity can be improved using SNS.

1.5.2 Employees
Employees who use SNS in the work place may learn to become brand advocates and marketers of their organizations. This study may provide an insight on how SNS can be used positively by employees to market their organizations and interact more with customers.

1.5.3 Academicians and Scholars
The study is also essential to researchers, academicians and scholars who may see this as a good basis for further research related to the use of social network sites in organizations.

1.6 Scope of the Study
The study will be focused on the impact SNS have on employee productivity in commercial banks in Kenya with the area of study being NIC Bank Head Office in Nairobi Kenya. The main reason for choosing this type of scope will be to explore the employees’ behavior from different departments in the bank. By understanding their use of SNS it will be possible to determine how time spent on social media affects their productivity. The study was conducted between June and August 2015.
1.7 Definition of Terms

1.7.1 Social Networking
This is a way in which many individuals come together and form many sized groups through which help is acquired, information is conveyed, and actions are taken to achieve certain outcomes (Martensen et al., 2011).

1.7.2 Social Network Sites
Abbreviated as SNS, a social networking site is the phrase used to describe any Web site that enables users to create public profiles within that Web site and form relationships with other users of the same Web site who access their profile (Haythornthwaite and Wellman, 2002).

1.7.3 Employee productivity
In general, productivity of an employee is measured in terms of labor hours spent by him/her on the given task, it is defined as how much and how well employees’ produces from the given resources (Babinchak, 2011).

1.7.4 Disciplinary action
Disciplinary or corrective action is a process of communicating with the employee to improve unacceptable behavior or performance. Disciplinary action may be taken when other methods such as coaching and performance appraisal have not been successful. (UCSF Human Resources, 2015). Disciplinary action includes, but is not limited to verbal reprimand and explanation, written warning, final written warning, and / or termination of employment / dismissal (Labour Guide, 1978).

1.8 Chapter Summary
This chapter explores the background of the study and problem statement on the impact of employees’ use of social networking sites on their productivity. The chapter states the research objectives and the scope of the study among other fundamental aspects of the study. The chapter concludes by defining key terms that were used in the study. The following chapter addressed a review of literature from other scholars with regard to the subject of study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
This chapter reviews literature on social networking sites in workplaces and its impact on employee productivity in commercial banks in Kenya focusing on the research objectives stated in chapter one. These objectives include; determining how employees in Kenyan banks use social media networks; examining the effect of social media networks on employees’ productivity in Kenya and examining the strategies available and can be used by financial institutions to improve employees’ productivity on social media networks. This chapter concludes with a chapter a summary.

2.2 Use of social media networks
Social media in the workplace is a hot button topic. Its use has skyrocketed in popularity, both in our overall culture and in the workplace (Proskauer, 2014). The rise of social media is rapidly changing how organizations operate and communicate. Organizations of all kinds are looking for ways to seize advantage in this emerging era marked by greater immediacy, interactivity and transparency (Aguenza, Al-Kassem, & Som, 2012).

2.2.1 Access to social media
There has been an explosion in the popularity of social media sites such as Facebook, MySpace, Twitter, Bebo and LinkedIn in recent years. This has resulted in employees getting carried away from their core responsibilities to wasting countless hours on social media to the detriment of the organizations they work for. Because “time is money,” every hour wasted has a direct negative impact on the bottom line. A study by Salary.com (2012), revealed 64% employees visit non-work related websites every day at work. Of that group, 39% spent one hour or less per week, 29% spent 2 hours per week, 21% wasted five hours per week, and only 3% said they wasted 10 hours or more doing unrelated activities. The survey also revealed which websites keep employees most off-task. Not surprisingly, socializing on Facebook
occupied 41%, while 37% LinkedIn, and 25% were shopping at Amazon. Other destinations include Yahoo and Google+ and to a lesser extent Twitter and Pinterest.

Organizational success largely depends on employees who are considered as one of the most important assets of any organization because they are capable of creating value and enable organizations have a sustainable competitive advantage. Competitive advantage is created when employees are productive. Social media is often times seen as a distraction. Greenwald and Deloitte (2009), point out that that 55% of employees visit a social networking site at least once a week. Another report by Proskauer (2014), found that 75% of workers accessed social media on the job from their personal mobile devices at least once a day (and 60% accessed it multiple times a day). The continued used of social media during working hours has become a concern to many employers.

The frequency of access and time spent accessing social media by employees is often seen as a concern by organizations. This is expected to grow as social media use continues to grow exponentially. In their study, Munene & Nyaribo (2013), found that 95% of the respondents accessed at least once a week. 45% of the respondents accessed during working hours (8am to 5pm) hours suggesting that they interrupted work to access social media. Gouveia (2012), concurred with these findings. He found that 64% of the respondents said they visited non work related websites every day during work hours. Additionally, he found that majority of the respondents spent between less than 1 to 5 hours a week on non-work related items.

Success of any organizations depends on the productivity of employees. Social media, which has become very popular, has infiltrated the workplace and most employees are utilizing social media in the workplace for their personal use, much to the organization’s despair. Often times, employees are using personal devices to access social media. Ladika (2012), posits that around that three-quarters of employees used their personal mobile devices to access social media at least once a day while on the job, and 60% used it several times each workday. This is bound to affect productivity.

### 2.2.2 Use of social media by banks

The rise of social media is rapidly changing how organizations operate and communicate. Organizations of all kinds are looking for ways to seize advantage in this emerging era marked
by greater immediacy, interactivity and transparency. The new media is growing so fast that it makes it imperative for employees to embrace the medium in the workplace. Social networking is an online medium of interaction which let people build relations, share ideas, communicate information and bounding society in sentimental stream. People use social networks for catharsis of their human emotions and motives of social networking can be different from person to person like; people connect to LinkedIn for professional purpose, Facebook and MySpace for personal motive, Twitter for social networking, Personalized Blogs for personal thoughts and view point (Ehrlich, 2011). Organizations are also using social networking sites for professional benefits like creating customer relationships (Ashraf & Javed, 2014). Banks use social media to achieve the following;

2.2.2.1 Brand awareness and image

The most obvious reason for company’s engagement in social media is due to its brand awareness and image. Connecting to social networks like LinkedIn, twitter, Google+, Facebook and even sponsoring blogs enables companies to connect with customers. This connection also enhances brand name by providing consumer education and positioning; providing information about the company’s community involvement including informing consumers of philanthropic efforts, and providing updates on locations including weather-related closings and changes in hours that impact a customer’s use of its services (Chapman and Cutler, 2014).

According to Chapman and Cutler (2014), a survey was conducted in the US which found out that retail and consumer goods businesses are the most active on social media with sites like Facebook listing Coco-Cola, YouTube, MTV, Disney, Red Bull, Converse, PlayStation, Oreo, Starbucks and Wal-Mart having most fans. While no financial institutions are listed in the Facebook fans top ten, of those financial institutions with a Facebook company page, Capital One, Bank of America and Citibank have the largest number of fans, while Bank of America, Capital One, Wells Fargo and Citibank have the largest number of Twitter followers.
In August 2013 as an initiative to assist banks in the social media engagements, the Independent Community Bankers Association of America issued a list of its Top Community Bank Leaders in Social Media. Social media can play an important role in differentiating brands and making them more relevant to consumers. Consumers believe that the most credible spokesperson that a company can have is them and thus banks are tapping into this kind of people. This had led banks into opening accounts on social networking sites to be able to interact with their customers giving them an opportunity to contribute in their work leading to brand affinity providing immense opportunity to create brand impressions (Accenture, 2011).

2.2.2.2 Marketing
Product marketing, promotion and driving customers to the company’s website are benefits of corporate participation in social media (Chapman & Cutler, 2014). According to Camhi (2013), banks have started to use targeted ads and leveraging the data tools that Facebook and other social networks provide to market their products. Research indicates that Starbucks one of Facebook’s top ten reports $261 million in product spending by Facebook fans compared to $162 for non-Facebook fans showing the effect of social media presence. Social media being interactive it is also easy for companies to gather information on the public’s perception of their products and services. This information can also be used to deliver customized messaging, promotions and online behavioral advertising (Chapman and Cutler, 2014).

Through the information banks gets from their customers on social media, banks can create better more innovative products and services that reflect the wishes of their customers. Chase bank for example; created an online community of mass-affluent consumers and tasked the group with designing a credit card purpose-built to their specific wants and needs (Accenture, 2011). Banks can also run targeted marketing campaigns reducing on their overall marketing costs. Due to the larger reach of social media compared to traditional channels, customer awareness of new features and products can be increased considerably (Capgemni, 2014).

2.2.2.3 Customer service
Addressing customer concerns and demonstrating excellent customer service is another way that banks are using social media. This allows banks and their clients to communicate directly away from the call center environment to address specific issues as they come in. These sites
also enable banks to send a message to multiple customers at a go on any changes in their products and services (Chapman and Cutler, 2014). Ryan (2014) indicated that, social media sites could also be used as an engagement place for banks and their customers than to just broadcast bank messages. It helps banks to understand what their customers want and to be able to get feedback on their services. Banks have been able to define new strategies for their banks and make decisions like; where to place new ATMs, roll-out of e-branches and the placement of full-service branches (KPMG, 2013).

Banks are also able to derive customer insights by leveraging customer data on social media. This information helps banks to derive a holistic view of their customers by linking internal and external data and advising their clients on their new services and products (Capgemni, 2014).

2.2.2.4 Internal engagement

As banks holistically embrace social media, they will need to strengthen internal collaboration and engagement to facilitate seamless information flow amongst its employees and processes. Leveraging social media offers banks an inexpensive opportunity to dispense with traditional silos that can impede internal collaboration and staff engagement. For example; if a customer posts a concern about the misuse of her credit card, the bank can take immediate action across multiple departments i.e. customer service, credit cards and legal working in unison to quickly address the problem (Capgemni, 2014). Through the feedback from customers on social media, employees in the banks can share information such as best practices, boosting both workforce collaboration and knowledge dissemination (Cognizant, 2014).

Cost reduction is also a major contributor of social media pertaining to service, sales, and marketing. For instance, banks can use social media as a low-cost channel to distribute messages, host conversations, provide customer service, identify dissatisfied customers and address their complaints immediately due to the internal collaboration that the bank has established. This issue can be handled by multiple departments at the same time if it requires more than one to handle. For example; Bank of America the first largest bank in the world uses Twitter for customer service where wide variety of their employees help their customers solve
issues. This has revealed to be very effective with bank feedback showing that customers are contented with the help they receive from the twitter account which is fast than traditional customer service. This drives customer service costs and advertising cost down with the page taking up the work of creating brand impressions across consumers’ social graphs, allowing other consumers to see the value of the channel for a variety of goals (Accenture, 2011).

2.2.2.5 Recruitment

According to Kluemper and Rosen (2009), social networks are playing a role in recruiting of new employees. Traditionally employers relied on advertisements done on dailies to recruit but recently there is a shift where employers are using their existing employees to recruit potential job applicants through their social media accounts or using their own social media accounts. Existing employees are seen to be better placed to be able to identify suitable people for different openings and even able to convince the candidates to accept working in a particular firm for example when it is a matter of getting them from another company (Ollington, Gibb, and Harcourt, 2013). In the online environment, SNS set up by organizations are playing the part formerly dominated by the employees doing the referring but their electronic networks may yet supplant the employee’s more personal networks of friends and acquaintances (Vicknair, Elkersh, Yancey, and Budden, 2010).

Recruiters are seen as intermediaries in firms and between organizations that are searching for new staff. Workers seeking new opportunities, career or other work opportunities get to benefit through the recruiters as well (Buechler, 2010; Marchal et al., 2007). The recruiter occupies space between the job seekers and employers within their own networks or across networks such as LinkedIn. This is possible through the dissemination of information about jobs in these networks (Gladwell, c2000). Ollington, Gibb, and Harcourt (2013) states that recruiters are well positioned to reach out to more job seekers if they have accesss to more actors across networks which makes it easy for them to attract applicants for any vacancy.

In this recruitment process banks are not left behind with most their hiring being through social media. 93% of all recruiters use LinkedIn to find candidates, 89% hiring through the network. 54% of recruiters use Twitter to find candidates which has increased from 45% in 2010 (Emolument, 2013). Companies have also argued that networking sites provide a cost effective
way of advertising jobs and reaching a bigger pool of jobseekers thus the increase in social media use (Alison, 2012).

2.3 Effects of social media networks on employee productivity

There are various studies for and against use of social media and its impact on employee productivity. ‘Productivity’ refers to the time spent by an employee actively executing the job he or she was hired to do, in order to produce the desired outcomes expected from the employees’ job description (Bernolak, 1997). Munene & Nyaribo (2013), that found that employee engagement with social media during working hours was a factor that contributed to waste of time thus leading to reduced productivity levels. Another study by Bennett (2008), found that employees were spending more time on social media engaging in non-work related activities such as creating personal networks, checking on family and friends, streaming and downloading music and video, checking sports scores, following social bookmarks. This was resulting into a lot of wasted man hours which impacted the organization’s bottom line (Richards, 2012).

Equally there are numerous studies for use of SNS during work hours. A study by Fahmy, (2009) found that employees who used social media sites are 9% more productive than those who did not. Employees who are more social by nature and are connected to other people through social networking sites are better persons in the workplace, which means they are skilled at interacting with others and solving problems. In a similar study by Fahmy (2009), 70% of the respondents who used internet for personal surfing resulted in sharpened employee’s concentration. It is assumed that by taking short breathers, the brain will be refreshed and renewed. AT&T, a company that sells internet connection services, conducted an independent survey of 2,500 employees in five European countries. Of employees using social networking sites: 65% stated that SNSs made them more efficient workers, 46% stated SNS gave them more creative ideas, 38% helped them gain knowledge and come up with solutions to problems i.e. more innovative, 36% stated that it allowed them to collect knowledge about employees and customers, while 32% confirmed that SNS created team building opportunities.
Productivity can be affected by a number of factors such as the effects of social networks on employees which can be looked at in two angles including the benefits and drawbacks that individuals experience at work. These include;

2.3.1 Innovativeness

Chu and Chan (2009) suggest that in today’s business environment innovative organizations could use social networking sites to identify and capture new ideas for creating new products and services. This assist organizations in tapping creativity, ingenuity and knowledge concerning specific product from others such as customers, vendors, partners, suppliers and analysts. Social media engagement also stimulates knowledge sharing between individuals creating a collaborative learning environment within the social system of a workplace, where problems encountered are collectively solved and solutions shared among peers (Boshoff and du Plessis, 2008; Davenport, 2001; Orlikowski, 2002).

People learn from others in a collaborative work space such as Wiki and blogs seeing different approaches that others take reflecting on their own contributions (Minocha 2009). This sites provide empowerment to individuals at the workplace (Hasgall and Shoham, 2007; Schneckenberg, 2009). For instance, Hasgall and Shoham (2007) suggest that “network systems are based on real-time technology and enable quick and immediate update of activity at a level that is virtually trivial. It is this trivial activities that have enhanced the level of trust, openness and empowerment of employees”.

Previous studies by IBM, (2007), Smith and Kollok (1999) and Zy1 (2009), suggest that social networking sites contribute to maintaining morale and increase job satisfaction of employees. This sites rewards individuals’ contributions to different works through ratings and the creation of followers, who link to or subscribe to a particular individual’s work (IBM, 2007; Smith and Kollok, 1999). This digital reputations recognize an individual’s contributions to and beyond the immediate group and place a value on the individual’s knowledge and knowledge creation abilities as well as satisfy the individual’s desire for prestige and recognition (IBM, 2007; Smith and Kollok, 1999). This assists individuals to gain transferable
skills that are useful for current and future work environments developing team-working skills and online collaboration and communication skills that will help them to fit easily into work settings (Minocha, 2009).

2.3.2 Strengthening weak ties
One of the major benefits of SNS is the ease with which it is possible to communicate, collaborate and share information through weak contacts or “ties”. Weak ties provide an opportunity for connecting with new individuals unlike strong ties. This is because when a tie is weak there is a much better chance of individuals’ social circles not overlapping and consequently the opportunity to access new resources, information and contacts. This becomes an extremely powerful impact inside organisations throughout the world if harnessed in the right way (Bennett, Owers, Pitt, and Tucke, 2010).

Development of social networking tools such as “wikis”, corporations are able to leverage the power of collaborative networks which are replacing traditional institutional resources for problem-solving (Bennett, Owers, Pitt, and Tucke, 2010). Employees given the right environment and tools, can cooperate and collaborate with unknown colleagues and potential contacts to help achieve the overall strategic goals of the organisation (Fraser and Dutta, 2008).

Fraser and Dutta (2008) argue that by implementing social networking tools, expertise and solutions to problems would no longer remain hidden and conversely, could be actively sought out and exploited. Since social networking tools foster transparent communication visible to all, the collaborative input of any employee, even far down the formal hierarchy, could be known, recognised and potentially rewarded. Status and prestige incentives are thus built into the collaborative process which some have argued are the key factors which contribute to employee productivity and satisfaction (Vos and van der Voordt, 2001; Pitt and Bennett, 2008).

2.3.3 Interconnectedness
This is the extent to which networks tend to be cohesive or sparse (Padula, 2008). A structure is cohesive when its actors are connected with each other, whereas it tends to be sparse when
actors are disconnected from each other (Re´my, Yoshida , and Tomoak, 2010). It has been cited that Interconnectedness is crucial property for knowledge integration in turn supporting an organization’s competitiveness. SNS provides this interconnectedness among employees in the organization and organizations that have embraced SNS have increased employee productivity. SNS provides a platform where employees can engage with one another exchanging knowledge on different matters related to the organization.

According to Re´my, Yoshida , and Tomoak (2010), interconnectedness is a fundamental concept of organizations which are composed of a network of actors acting in coordination to achieve a specific corporate objective. An organization composes of different individuals working together since it is impossible for a single, isolated individual to reach any high degree of rationality to achieve an organization’s goal. A wider and richer network of individuals within or outside an organization can create a mutual equivalence structure alleviating this bounded rationality since one’s ability to perform consummator acts depends on someone else performing an instrumental act.

Faster information sharing and processing brought about by SNS brings efficiency in an organization since employees make the right decisions after extensive consulting on SNS with their colleagues and superiors and also conduct research online on a particular issue looking at other organizations in the industry. To successfully cope with fast clock speed, information-rich environments, organizations have to reshape their fundamental building blocks into a new architecture known as “information-age architecture” which considers the organization as a connected ensemble of human information processors (Re´my, Yoshida , and Tomoak, 2010).

Interacting with co-workers was the primary motivator for social media engagement at work: 49% of respondents said that connecting with co-workers was the top reason to use social media while at work. The second and third most popular reasons were connecting with others on a fun social platform (47 percent) followed by connecting with customers (44 percent) (Hollon, 2012).
2.3.4 Decreased staff engagement

This is when employees are present at work but experience decreased productivity and below normal work quality. This can be caused by employee engagement in social media during working hours which can result to a waste of time leading to reduced productivity levels. (Munene and Nyaribo, 2013).

Research shows that employees can engage in SNS for work related purposes while others may engage in the same for personal use (Ariyur, 2008). Ashmore & Herman (2006) indicate that deviant use of technology may distract employees from job tasks while engaging in unproductive or unethical activities such as online shopping, news, music, chatting, auctioning, and games while at work. SNS provide addiction impacting on employee productivity since employees may be at their desks but on SNS and not working on the tasks assigned to them. On the other hand, employees required to collect data from the field may also compromise their work which may affect their productivity due to relying on SNS for information which is a deviation from collecting data from the recommended sources (Ariyur, 2008; ClearSwift, 2007).

2.3.5 Employee relations

Employee relations can be enhanced at the same time affected. SNS provides a platform for employees to communicate with one another throughout the day without anyone overhearing, leading to an increase in off-task conversations. However, this platform can be a place of gossip that could lead to negative messages sent from one person to another and a rumor starts at the workplace which eventually hampers ability of employees to work together (Capstone, 2015).

Employee relations are enhanced through team building activities. Social networks provide an opportunity to organize team building events incorporating all employees input on the type of team building activities they would like to engage in. For example, Facebook has a comprehensive system for event scheduling. The organizers of events in Facebook may not only post information, including audio and video content, about the event, but may also see the users who are going to attend the meeting or not (Ashraf & Javed, 2014).
2.4 Strategies to improve employee productivity via social media networks

Organizations acknowledge that social media is a double edged sword; it offers numerous benefits but, when abused, can cause irreparable damage to their reputations and ultimately bottom lines. To this end, organizations have implemented various strategies such as policies, disciplinary action etc. to control usage, encourage responsible behavior as well as improve employee productivity as they engage in social media. Especially so during working hours.

2.4.1 Use of social networking policies

The increased blurred lines between personal and official use of social media during working hours has compelled organizations to come up with policies that dictate its usage by its employees. Workplace social media policies are gaining attention as the number of people commenting, sharing, liking and tweeting every aspect of their life continues to grow. Half of human resources professionals say that “IT abuses have increased over the past five years” among new college graduates. This is according to the 2013 Professionalism in the Workplace study conducted by York College’s Center for Professional Excellence. Social media abuses includes excessive tweeting and using Facebook, which 65.2% of HR pros surveyed by the Center said was a common problem (Akitunde, 2013). In August 2013, a Burger King employee in Japan posted a photo of himself lying on a pile of burger buns to Instagram. The photo went viral, but was considerably tame, compared to the infamous photos and video of Taco Bell and Domino’s Pizza employees engaging in disgusting acts with food. These viral moments do more than turn our stomachs — they point to a troubling trend: employees abusing social media on the job to the detriment of the brand.

A growing concern for employers is how to manage their employees’ social media use and its potential impact on their brand. The aforementioned cases bring to light the need for every company to have their own social media policy, says Aliah Wright, author of A Necessary Evil: Managing Employee Activity on Facebook, Twitter, LinkedIn…and the Hundreds of Other Social Media Sites. “Any company, big or small, needs a social media policy to protect their reputations,” Wright told OPEN Forum in an email. “Even if their company has no social media presence, their employees may be creating one by virtue of their actions online.” (Akitunde, 2013). In the aftermath of the viral Domino’s Pizza video in 2009 (which to date
has almost 690,000 views), company revenues reportedly slipped 1 to 2% that quarter. Business owners should learn from these stories, and protect their company as much as possible with their own social media policies (Akitunde, 2013).

Worldwide, only one-fifth of the companies surveyed had a formal policy for employee use of external social networking sites. Firms in the Americas and Asia-Pacific were somewhat ahead on this front, but the majority of respondents in all regions had no policy in place. Among companies that did have a policy, 63% claimed it was effective in combating lost productivity. According to a new survey of 1,400 CIOs of companies with 100 or more employees, 54% now completely block employees from accessing social networking sites at work. Only 10% of those surveyed let employees use social networks however they please, while the remainder all impose at least some restrictions on usage, like limiting it to business purposes only (Ostrow, 2009).

Marks & Spencer, an apparel company in the USA, encourages its employees to actively engage with customers, via its facebook page however the company Facebook page is carefully managed by a dedicated team and Marks & Spencer has a very clear social media policy to protect its brand and employees themselves (CIPD, 2014).

Adidas, a world-famous brand with offices and employees situated all around the globe takes a very encouraging but strict approach when it comes to their Social Media Guidelines. Some of the components of its social media policy include ‘Employees are allowed to associate themselves with the company when posting but they must clearly brand their online posts as personal and purely their own’ and ‘content pertaining to sensitive company information (particularly those found within Adidas internal networks) should not be shared to the outside online community’. Best Buy, the biggest multinational consumer electronics corporation in America, customer service system relies heavily on the use of social media, Best Buy’s Social Media Policy is clear-cut and precise. amongst the components highlighted in its policy include employees are mandated to freely disclose their affiliation with the company granted that disclaimers are set freeing the company from any intellectual investment in the post, dishonorable content such as racial, ethnic, sexual, religious, and physical disability slurs are not tolerated, as well as employees are not allowed to disclose information that are financial, operational and legal in nature, as well as any information that pertains to clients and
customers. Many other companies such as HP (one of the biggest information technology corporations in the world), GAP a global fashion brand, and The Los Angeles Times, one of the premiere print media publications in the world, have all implemented social media policies to that document how employees engage with their brands on social media (D’angelo, 2013)

NIC Bank has internet access policy that restricts access for most of the staff on office computers. Access is restricted between 8am and 5pm. Unrestricted access is allowed based on various parameters such as position held in the bank and nature of job; i.e. only employees of a certain position or those whose job requires unrestricted access have unlimited, unrestricted access during the day. However access to social media is not restricted to personal devices such as tablets, phones etc. staff can still access social media from these devices.

2.4.2 Disciplinary action

As social media increases in popularity, many employers and employees are starting to find the line between work and private lives can be easily blurred. This is expected to continue as the current generation, immersed in social media from early childhood, enter the workforce – setting a new challenge for employers and employees on how to minimize and manage the risks whilst also embracing the benefits of social media. (The Nielsen Company, 2010). Managing employees’ use of social media remains at the top of employers’ list of concerns (Williams, 2014). Together with policies, companies have been compelled to take disciplinary action against employees who have contravened its social media policies. Disciplinary action ranges from verbal to written warnings, demotions and ultimately termination form employment. These actions are taken by employers in order instruct and correct rather than to punish the errant behavior. Disciplinary action is also taken to serve as an example to discourage other employees from engaging in similar acts.

Stutsel vs Linfox Australia Pty Ltd, is the leading case on social media and dismissal. A truck driver was dismissed after he posted “derogatory” comments about his managers on his Facebook page. Linfox dismissed the employee, Glen Stutsel following an internal
investigation that found his comments amounted to sexual and racial discrimination (Kamal & Enrico, 2013).

In yet another disciplinary case, Jennifer O'Brien, a first grade teacher in Paterson, New Jersey, was dismissed from employment based on derogatory Facebook comments she made about her students (Kamal & Enrico, 2013).

Virginia Rodriquez, a manager at Wal Mart, was placed on disciplinary status for publicly chastising employees under her supervision on a colleague’s personal Facebook page. Rather than waiting for the associates to return to work to discuss her attendance concerns, she took to social media to publicly chastise these employees. This is yet another example where an employer disciplined an employee due to inappropriate use of social media (Kamal & Enrico, 2013).

2.4.3 Crowdsourcing

Crowdsourcing is the practice of obtaining needed services, ideas, or content by soliciting contributions from a large group of people and especially from the online community rather than from traditional employees or suppliers (Merriam-Webster, 2014).

In the banking sector this is a strategy and tool that banks can use to improve employee productivity on how to improve their services and products. According to Asif (2013), a Swedish relationship bank, set up an internal forum for employees to submit suggestions and improvements for their business. The best ideas and suggestions are voted to the top and hopefully executed. Other banks have followed suit with Barclays bank starting the “Your Bank” project where customers submit ideas for the bank to improve on.

Using crowdsourcing, banks can offer incentives such as prize money, the opportunity to be employed by the bank or even a chance to have breakfast with the Chairman or CEO of the bank to encourage their customers to contribute on a project where they need suggestions and commentary on. This could be on their new products or services or suggestions on products and services that the bank wants to launch. By offering incentives, (rewards and recognition in
exchange for work performance, employees work harder and smarter which translates into increased productivity (Ideaconnection, 2007).

2.4.4 ‘Facebook Fridays’

Social networking has started being adopted by many organizations as a business tool. For Example; General Motors uses an internal blog known as Fastlane as a corporate “focus group” and California software company Serena, which have implemented “Facebook Fridays” which allows employees a free hour every Friday to update their Facebook profiles and keep in touch online with colleagues. Other corporations that have integrated social networking in their organizational strategies include: FedEx, Shell Oil, Motorola, General Electric, Kodak, British Telecom, Kraft Foods, McDonald’s and Lockheed Martin (Fraser and Dutta, 2008).

According to Herbling (2015), in Kenya various companies have also been listed as top users of social networking sites engaging in customer relations management. The three firms were feted for using social networking sites such as Facebook and Twitter to respond to consumers’ comments and questions in the year to December 2014, according to a report by Socialbakers, a Czech-based firm. Socialbakers is a social marketing and analytics firm that tracks social media accounts of companies across the world to grade corporations based on the volume of queries handled, length of time it takes to answer, alacrity, tone of responses, and fraction of questions ignored.

Facebook Fridays is one key strategy that the banking sector can adopt to integrate in their businesses instead of locking out their employees completely from social networking sites. This will give employees a chance to connect with their friends and family and enhance employee productivity with employees working with improved morale, enhanced collective knowledge; sharpened strategic focus and greater innovation since they are given time to unwind.

2.4.5 Use enterprise social networks

In most organizations today, employee turnover is partly related to lack of opportunities to make meaningful contributions and connections which are related to communication
breakdown and management issues. Empowering employees to air their views is important for an organization to improve employee productivity at work. This is made possible through the Enterprise Social Networks (ESN) (Eisenhauer, 2014).

ESN is also referred to as a private or internal social or a corporate network (Awolusi, 2012). This are developed with the primary aim of promoting collaborations across hierarchical and geographical structures within an organization seen as assets in times of a slumping economy and in a geographically diverse work force with increasing travel costs (Swartz, 2008). According to Cross, Borgatti and Parker (2002), in knowledge intensive industries, ESN are seen to provide support for informal networks which are crucial to collaboration among employees with different skills. However, research has shown that effective collaboration occurs through informal networks of relationships acquired through high end workers than formal reporting hierarchy.

Eisenhauer (2014) points out that ESN bring the power of social networking to the business world, allowing users an opportunity to contribute knowledge and ideas in a streamlined, efficient manner. This make it possible for an open discussion without the hindrances of the office processes and formal communication in turn promoting visibility of workers (Awolusi, 2012). In addition, using ESN working sites, it makes possible knowledge sharing which becomes a desirable attribute through the management of knowledge and transfer of skills.

According to Gravili (2010), development of organizational behaviors results due to collaboration at the workplace. The organizational behaviors are seen to exclusively perform what is required by the role promoting optional and unstructured behaviors that allow a continuous exchange of the acquired, experimented and transferred knowledge (Gravili, 2010). ESN websites could be used as one of the tools to promote diversity and inclusion in an organization. Perceived similarities of sex, age or race increases the likelihood of communication and networking across informal groups (Cross, Borgatti and Parker, 2002).

2.5 Chapter Summary
The chapter reviewed the research by other authors on the 3 objectives of this study. It got into extensive detail on what other researchers have found with regards to the use of social networks, its impact on employee productivity and the various strategies that organizations
have implemented as they seek to improve employee productivity. The chapter also demonstrated that social networks can have benefits that companies and especially banks can tap into improve their businesses. The next chapter discussed the research methodology that was used in this study.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This chapter presents the research methodology used. The chapter covers the research process; the research design, population and sampling design which includes; population focusing on the sampling design, sampling frame and sampling technique and sampling size. The chapter will also cover the data collection method, research procedure, data analysis and research instruments.

3.2 Research Design
This is the overall strategy that a researcher chooses to integrate the different components of a study in a coherent and logical way ensuring that the research problem is effectively addressed. This constitutes the blueprint for the collection, measurement, and analysis of data (De Vaus, 2001). This research adopted descriptive research design to measure the impact of social media networks on employee productivity in commercial banks in Kenya. The design was appropriate, as it allowed the description, interpretation, of existing relationships and comparison of variables under study.

This design is appropriate because the respondents are expected to inform how social media networks at their bank has impacted on employee productivity. The design focuses on understanding and explaining the social media networks and employee productivity constituting the blueprint for the collection, measurement and analysis of data. This research helped in providing information that was used for further research so as to gain conclusive evidence in future. The research targets staff at NIC Bank Head Office with emphasis that the target population be derived from different departments in the bank.

3.3 Population and Sampling Design

3.3.1 Population
According to Explorable.com (2009), a population is generally a large collection of individuals or objects that is the main focus of a scientific query. A population is also known
as a well-defined collection of individuals or objects known to have similar characteristics. The target population for the study was staff at NIC Bank Head Office in Nairobi. The staff were drawn from different departments in the bank which include; marketing, ICT, Card and credit risk departments targeting 50 staff members.

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

According to Andale (2014), a sampling frame is a list of all the items in a population. It can be a list of things that a sample is drawn from. The selection of a sample from a defined target population requires the construction of a sampling frame which ensures that the right population that the researcher is targeting for the research is identified. The sampling frame for the study was obtained from the staff at NIC Bank Head Office in Nairobi.

3.3.2.2 Sampling Technique

Having identified the target group, the research adopted the probability sampling research design and used stratified random sampling to identify the strata or subgroups that represented the staff at NIC Bank Head Office based on the respondent’s descriptions drawn from different departments. Probability sampling is a sampling technique where samples are gathered in a process that gives all the individuals in the population equal chances of being selected (Explorable.com, 2009). Using Stratified Random Sampling the entire target population of staff at NIC Bank was subgrouped into strata (subgroups) according to various departments they were drawn from.

From these subgroups the appropriate number for the research was drawn. This was to ensure that the research had adequate amount of subjects from each department participating in the research. Stratified sampling was used to ensure that the sample population for conducting research was a good representation of the overall population at NIC Bank and reduced cases of bias.

Stratified random sampling was appropriate in this research to break the population of interest into mutually exhaustive sample population called strata. This was to ensure that specific
groups were represented, even proportionally, in the sample(s) (different departments), by selecting individuals from strata list (Black, 2009). Eventually, the respondents per category was obtained using the probability sampling by use of simple random sampling. This was to ensure that the process was less biased and that there was an equal chance of representation of all the staff at the Head Office at NIC Bank.

3.3.2.3 Sampling Size
The sample size that was used in this research was 50 staff at NIC Bank Head Office Nairobi drawn from different departments in the office.

Table 3.1: NIC Bank staff distribution

<table>
<thead>
<tr>
<th>Respondent departments</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sample</td>
</tr>
<tr>
<td>Marketing department</td>
<td>15</td>
</tr>
<tr>
<td>ICT department</td>
<td>15</td>
</tr>
<tr>
<td>Card department</td>
<td>10</td>
</tr>
<tr>
<td>Credit Risk Department</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

3.4 Data Collection Methods
Primary data was obtained through the use of administering questionnaires which were structured according to the research objectives of this research. The questions contained both closed ended and open ended question and were standardized to ensure validity and reliability. The questionnaires were administered to the individuals selected from within the targeted population at NIC Bank and especially drawn from the different department at the bank. The questionnaires were taken to the selected individuals and collected after two days from the date of delivery. This was possible through the assistance of a research assistant. The responses received from the administration of the questionnaires were treated in confidence and strictly used for the purpose of this research only.
3.5 Research Procedures

The questionnaires were designed on the basis of the research questions and were standardized, valid and reliable for testing purposes. The questionnaires were first pre-tested at the ICT department at the bank for the purpose of getting its reliability in capturing the needed information. This helped in the validation of the final questionnaires that were used in the study. Prior to the administration of the questionnaires for the selected employees at NIC Bank, a communication was done via email to seek approval from the Human Resource manager. On approval, a research assistant delivered the printed questionnaires to the targeted individuals at the bank. The questionnaires were accompanied by a letter of introduction stating the purpose of the research that is being undertaken. Respondents were given two weeks to respond after which the completed questionnaires were collected with the aid of trained research assistants.

3.6 Data Analysis Techniques

Data analysis methods help to describe facts, detect patterns, develop explanations, and test hypotheses. It is used in all of the sciences and also in business, administration, and in policy (Levine, 2006). Descriptive statistics includes the numbers, tables, charts, and graphs used to describe, organize, summarize, and present raw data and enables the researcher to meaningfully describe a distribution of measurements (Texas State University, 2005). After the questionnaires are received from the respondents, they will be given reference numbers to the answers and the responses grouped into categories. This is necessary for efficient analysis of data which includes categorizing, manipulating and summarizing of data to obtain answers to the research questions.

Statistical Package for Social Sciences (SPSS) software is designed to perform statistical analysis on quantitative data. Since the study is descriptive, descriptive statistics such as frequencies was calculated. This is to enable the researcher summarize, and describe quantitative data obtained from empirical evidence. The analyzed data was presented in tables and charts for better interpretation.
3.7 Chapter Summary

This chapter covers the research methodology that was used in this research. It has shown that this research adopted the descriptive research design and the target population was the staff at NIC Bank Head Office. The sample size for this research was 50 respondents who were drawn from different departments in the company through the use of stratified sampling. Questionnaires were used as the data collection tool and were designed based on the research objectives that guided the research and administered to the selected population at their workplace. The next chapter presents results and findings of the study.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the results and findings of the study on the research questions with regards to the data collected from the respondents. The first section covers the general information with regards to the respondents. The second, third and fourth sections cover the aspects with respect to the research objectives of the study. A total of 50 questionnaires were issued out of which 40 were returned indicating 80% response rate.

4.2 General Information

This section provides the background information with regards to the respondents’ gender, department, occupation, number of years worked at NIC bank as well position held in the bank. These aspects were put into consideration because of the meaningful contribution they offer to the study as the variables help in the understanding of the responses given by the respective respondents. These variables also helped eliminate biases found with one set of respondents.

4.2.1 Response Rate

Response rate is the total number of respondents who participated in the study and it is presented as a percentage. The study had a sample size of 50 employees from NIC Bank in which the response rate was presented in Table 4.1 below.

<table>
<thead>
<tr>
<th>Category</th>
<th>Response Rate</th>
<th>% Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not respond</td>
<td>10</td>
<td>20%</td>
</tr>
<tr>
<td>Responded</td>
<td>40</td>
<td>80%</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100%</td>
</tr>
</tbody>
</table>
4.2.2 Gender of the respondent

Table 4.1 provides a summary of the respondents on the basis of their gender. The results of the study show that indeed 47.5% of the total respondents were of the male gender, while the remaining 52.5% were of the female gender. The results show that the sample was diverse i.e. comprised of both males and females which reduced on the bias if one gender was to be used.

Table 4.2: Gender of the respondents

<table>
<thead>
<tr>
<th>Gender of the Respondents</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td>Male</td>
<td>19</td>
</tr>
<tr>
<td>Female</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
</tbody>
</table>

4.2.3 Distribution by age

Table 4.2 shows distribution by age of the respondents. The findings show that 23% of the respondents were between 21 - 30 years of age, 34% were between 31 – 40 years of age while 43% were above 40 years of age. The purpose of investigating the age of the respondents was to improve diversity of the sample and eliminate bias.

Table 4.3: Distribution by age

<table>
<thead>
<tr>
<th>Age</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td>21 - 30 years</td>
<td>8</td>
</tr>
<tr>
<td>31- 40 years</td>
<td>12</td>
</tr>
<tr>
<td>Above 40 years</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
</tbody>
</table>

4.2.4 Position held in the bank

Figure 4.1 shows the position held by different respondents in the bank. The results indicate that 42.9% of the respondents were in the middle level management in the bank, 38.1% were general staff, while 9.5% held other positions while those in the senior management level and members of supervisory management constituted 4.8% each. This shows that the
data collected from the individual respondents was varied given that it came from different respondents in the bank. These findings also show that the respondents that participated in the study were mainly middle level management and general staff. These staff are considered to be the workers in an organization and therefore their participation in the study was critical.

![Figure 4.1: Position held in the bank](image)

### 4.2.4 Distribution of respondents by department

Table 4.3 presents findings with regards to the distribution of the respondents in various departments at the bank. The findings reveal that the majority of the respondents at 40%, were from the Operations department, followed by Marketing (25%), Credit Risk (20%) and finally ICT with 15% of the total respondents. The purpose of different departments is to improve diversity of the respondents and eliminate bias if one department was to be used. Additionally, it represents that different departments at NIC Bank Head Office were targeted.

![Table 4.4: Distribution by department](image)

### 4.2.5 Number of years worked at NIC Bank

Table 4.4 shows the number of years the respondents had worked at NIC Bank. The number of years worked at NIC Bank, determines the extent to which one is aware of the issues sought
by the study. Majority of the respondents (37.5% ) had worked at NIC Bank for less than 1 year, 37.5% had been in employment for between 1 and 2 years, 12.5% had been in employment for between 3 and 4 while 12.5% had worked at NIC Bank for more than 5 years.

Table 4. 5: Number of years worked at NIC Bank

<table>
<thead>
<tr>
<th>Years at NIC</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>15</td>
</tr>
<tr>
<td>1 - 2 years</td>
<td>15</td>
</tr>
<tr>
<td>3 - 4 years</td>
<td>5</td>
</tr>
<tr>
<td>5 years and above</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
</tbody>
</table>

4.3 Use of social media networks at NIC Bank

The first objective of the study was to examine the use of social media networks at NIC Bank. How frequently social media was used is a critical determinant in identifying impact on employee productivity. Accordingly, the respondents were required to indicate how they used social media while at NIC Bank.

4.3.1 Frequency of accessing social networking sites

Employees are spending more time on social media engaging in non-work related activities such as creating personal networks, checking on family and friends, streaming and downloading music and video, checking sports scores, following social bookmarks. Figure 4.2 presents the findings with regards to the frequency of accessing social media sites. The findings reveal that majority of the respondents (50% ) stated that they use social media sites multiple times a day, 33% of the respondents stated that they use social media at least once a week, 12% stated that they use social media once a day, 5% stated that they use it once a month. The findings reveal that most of the respondents accessed social media at least once a week.

Figure 4. 2: Frequency of accessing social media
4.3.2 How social media is accessed

The first reaction of management to social networking in the workplace often is to block access to all social networking websites. However, this is not always effective as employees have figured out new ways to access social media. Figure 4.3 shows how the respondents were accessing social media sites. The findings reveal that 61% of the respondents accessed social networks through office PCs, 21% through their personal tablet, 11% through their personal phones and 7% through other means. This implies that even when accessed was restricted via office computer, respondents resulted to other devices to access social media.

![Diagram showing how social media sites are accessed](image)

**Figure 4.3: How social media sites are accessed**

4.3.3 Time of the day of when social networks are accessed

Employee engagement with social media during work hours for whatever period can be a factor that contributes to waste of time leading to reduced productivity levels. Figure 4.4 shows the time of day the respondents accessed social networks. The findings reveal that 34% accessed social networks before working hours, 21% after working hours, 34% during the day while 11% all the time. The time of day when social media is accessed is useful in determining if respondents were interrupting work to access social media.

![Diagram showing time of day when social networks are accessed](image)

**Figure 4.3: Time of day when social networks are accessed**
4.3.4 Time spent on social networking sites

The time spent on social media is critical in establishing how long employees were not working when they were expected to be engaged in work related activities. Figure 4.5 shows cumulatively, how long each of the respondents spent on social networks in a single interaction with social media. The findings revealed that 57% of the respondents spent 1 - 2 hours, 28% spent more than 2 hours while 15% spent less than an hour.

![Figure 4.4: Time spent on social networking sites](chart)

4.3.5 Use of social media by NIC Bank

Many businesses have been adept at harnessing the power of social media to their advantage. Respondents were asked to confirm if NIC Bank used social media. Figure 4.6 shows usage of social networks by NIC Bank. The findings show that 100% of the respondents agreed that NIC bank used social networks.

![Figure 4.6: Social networks to reach customers](chart)
4.3.6  How NIC Bank uses social networks

Many employers have been quick to use social media for various purposes such as to recruit staff, to develop business and commercial relationships, yet others have been keen to use social media as a better way of engaging with its staff and fostering a more collegiate environment. Table 4.5 presents findings on how NIC Bank used social networks. The findings revealed that 82% of the respondents were in agreement that NIC Bank used social networks to create and enhance the NIC Bank brand and image. This is shown by a mean score of 3.68. 8% of the respondents were not sure, while 10% disagreed.

70% of the respondents were in agreement that NIC Bank used social networks for marketing of new products, promotions etc. This is shown by a mean score of 3.6. 20% of the respondents were not sure if NIC Bank used social media for this purpose, while 10% disagreed.

62% of the respondents were in agreement that NIC Bank used social networks for customer service. This is shown by a mean score of 3.61. 20% of the respondents were not sure, while 8% disagreed.

75% of the respondents were in agreement that NIC Bank used social networks for internal engagements. This is shown by a mean score of 3.62. 10% of the respondents were not sure, while 5% disagreed.

60% of the respondents were in agreement that NIC Bank used social networks for recruitment of new staff. This is shown by a mean score of 3.78. 20% of the respondents were not sure, while 20% disagreed.
Table 4.6: How NIC Bank uses social networks

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Total of all who Agree</th>
<th>Not Sure</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total of all who disagreed</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>To create and enhance the NIC Bank brand awareness and image</td>
<td>56%</td>
<td>26%</td>
<td>82%</td>
<td>8%</td>
<td>8%</td>
<td>2%</td>
<td>10%</td>
<td>3.68</td>
</tr>
<tr>
<td>For marketing of new products, promotions etc.</td>
<td>48%</td>
<td>22%</td>
<td>70%</td>
<td>20%</td>
<td>8%</td>
<td>2%</td>
<td>10%</td>
<td>3.6</td>
</tr>
<tr>
<td>For customer service</td>
<td>34%</td>
<td>28%</td>
<td>62%</td>
<td>20%</td>
<td>6%</td>
<td>12%</td>
<td>18%</td>
<td>3.61</td>
</tr>
<tr>
<td>For internal engagements</td>
<td>50%</td>
<td>25%</td>
<td>75%</td>
<td>10%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>3.62</td>
</tr>
<tr>
<td>For recruitment of new staff</td>
<td>33%</td>
<td>27%</td>
<td>60%</td>
<td>20%</td>
<td>10%</td>
<td>10%</td>
<td>20%</td>
<td>3.78</td>
</tr>
</tbody>
</table>

4.4 Effects of social networks on employee productivity

Success of any organization depends on the productivity of employees. Social media, which has become very popular, has infiltrated the workplace and most employees are utilizing social media in the workplace. The second objective of the study was to investigate the effect of social networking sites on employees’ productivity at NIC Bank. The following subsection presents findings with regards to this objective of the study.

4.4.1 Relationship between social media and employee productivity

Social media has both a positive and negative impact on employee productivity. The respondents were given 5 factors and asked to indicate to what extent social media had impacted their productivity. Table 4.6 below presents the model summary showing the relationship between social media and its effect on employee productivity.

The study found that there was a positive correlation coefficient, r, of .628. That is to say that there was a positive and weak to moderate relationship between social media use and employee productivity. The study also found a positive coefficient of determination, \( r^2 \), of .412 or 41.2%. This means that 41.2% of the total variation in employee productivity can be explained by the linear relationship between social media use and employee productivity. The
other 58.8% of the total variation in employee productivity remains unexplained. The coefficient of determination is a measure of how well the regression line represents the data. In this case 41.2% indicates that the model explains some of the variability of the response data around the mean.

Table 4.7: Model summary

<table>
<thead>
<tr>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>.628</td>
<td>.412</td>
<td>.400</td>
<td>11.234</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Productivity

Table 4.7 below presents the relationship between social media and productivity. The table reveals that there was a positive significant relationship between social media and productivity with a beta of 0.485. B and Beta show the rate of change in the dependent variable brought about by the independent variable. The unstandardized (b) regression coefficient indicates the average change in the dependent variable associated with a 1 unit change in the dependent variable statistically controlling for the independent variable. The study found that for every unit change of independent variable (social media use), there was a corresponding .485 or 48.5% change in the dependent variable (employee productivity). This was a weak change.

The standardized beta coefficient is used to compare the strength of the effect of the independent variable on the dependent variable. The study found a beta of .159. That is to say that when 1 standard in deviation change in social media use results in a 0.159 standard deviation increase in the dependent variable (employee productivity).

Table 4.8: Relationship between social media and employee productivity

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Productivity</td>
<td>1.976</td>
<td>4.638</td>
<td>24.575</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0.485</td>
<td>0.005</td>
<td>0.159</td>
<td>0.815</td>
</tr>
</tbody>
</table>
4.4.2 Extent of the impact of social media on employee productivity

Various aspects of employee productivity are impacted when they use social media during working hours. Figure 4.7 presents findings of the impact of social media on productivity. On decreased staff engagement, 79% agreed that it severely impacted staff engagement, 11% stated moderately, while 10% stated that there was no impact.

On decreased staff engagement, 79% agreed that it severely impacted staff engagement, 11% stated moderately, while 10% stated that there was no impact. On strengthening of weak ties, 77% stated that there was a severe impact, 11% stated there was moderate impact, while 12% stated there was no impact. On innovativeness, 75% stated that there was a severe impact, 15% stated there was moderate impact, while 10% stated there was no impact. 69% stated that there was a severe impact on employee relations, 18% stated there was moderate impact, while 13% stated there was no impact. 64% stated that there was a severe impact on interconnectedness, 21% stated there was moderate impact, while 15% stated there was no impact.

Figure 4.7: Impact of Social Media on Productivity

4.5 Strategies to improve employee productivity via social media

The popularity of social networks and their increasing use in the workplace present some concerns for employers, but all indications are that employers cannot hope to prevent social
network use during work hours. As an alternative to prohibit social media, organizations are increasingly using various strategies to improve employee productivity. The third objective of the study was to identify the strategies that could be used by financial institutions to improve employee productivity via social media networks.

4.5.1 Restrictions on access to social networking sites

One of the approaches used by organizations is the use of restrictions. Most organizations have restricted access to social sites during work time. Figure 4.8, presents results on whether NIC Bank had put restrictions on the access to certain sites. 49% of the respondents agreed that NIC Bank had enforced restrictions to social media, while 51% said they had no restrictions to access certain sites.

![Figure 4.8: Restrictions on access to social networking sites](image)

4.5.2 Policy on access to social networks as a strategy to improve employee productivity

Another approach that is increasingly being used is a policy. By setting a policy, employees know the company’s rules regarding the use of social networking sites. Figure 4.9 presents findings on the policy on access to social networks as a strategy to improve employee productivity. All the respondents were in agreement that NIC Bank has a policy on access to social networks.
4.5.3 Disciplinary action

Disciplinary action is taken in response to a perceived misdemeanor or wrongdoing or refusal of duty by the employee. Figure 4.10 presents findings on whether employees had faced disciplinary actions as a result of accessing social networking sites during working hours. The findings show that none of the respondents had experienced any disciplinary actions relating to the use of social networking sites.

4.5.4 Additional strategies used to improve employee productivity at NIC Bank.

In addition to policies and disciplinary actions, organizations have incorporated other strategies as they seek to improve employee productivity through the use of social media.

Figure 4.12 below presents findings on the various strategies used to improve employee productivity at NIC Bank.
Figure 4.1: Strategies used by NIC Bank to improve employee productivity

15% of the respondents agreed that crowd sourcing is often used to improve employee productivity, 52% revealed it was used sometimes, 24% stated that it was not used while 9% revealed they were not sure if it was used.

On the use of enterprise social networks, 20% of the respondents agreed that enterprise social networks is often used to improve employee productivity, 48% revealed it was used sometimes, 30% stated that it was not used while 2% revealed they were not sure if it was used.

On the use of ‘Facebook Fridays’, 33% of the respondents agreed that ‘Facebook Fridays’ is often used to improve employee productivity, 58% revealed it was used sometimes, 7% stated that it was not used while 7% revealed they were not sure if it was used.

62% of the respondents agreed that social networking enhancing was used often to improve employee productivity, 24% revealed it was used sometimes, 10% stated that it was not used while 4% revealed they were not sure if it was used.

These results are an indication that NIC Bank has implemented various strategies to various degrees as it seeks to improve employee productivity via social media networks.
4.6  Chapter Summary

In this chapter, results and findings based on the specific objectives have been presented in form of pie charts, tables and figures as well as graphs. Chapter five provides a detailed discussion of the results and findings. The following section provides conclusions as well as recommendations. Thereafter recommendations for improvement on each specific objective will be provided followed by recommendations for further studies.
CHAPTER FIVE

5.0 SUMMARY, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This is the final chapter of this study which gives the summary of the findings, the discussions, conclusions, recommendations of the study based on the objective of the study and suggestions for further research. The chapter finally presents the suggestions for further studies.

5.2 Summary
The general objective of this research was to assess the use of social networking sites and their influence on employee productivity in Kenyan commercial banks with a focus on NIC Bank. The study sought to achieve the following objectives: (i) To determine the extent to which social media networks are used in Kenyan banks; (ii) to investigate the effect of social networking sites on employees’ productivity at NIC Bank and (iii) to identify the strategies that can be used by financial institutions to improve employee productivity via social media networks.

The study adopted descriptive research design with the population under study being employees at NIC Bank Head Office. Simple random sampling technique was used to determine the sample size because of the homogeneity of the population and to reduce high refusal rates. The sample size was 50 employees. The collection of the primary data was done using structured questionnaires that were pilot tested first and then administered. The coding of the data was done with the use of Microsoft Excel as well as SPSS to generate the descriptive statistics like; frequencies and percentages. The presentation of the results was in form of tables and figures, as well as cross tabulations.

The study findings indicate that majority of the respondents accessed and used social sites multiple times a day in spite of the existence of a policy. These respondents accessed through their smart phones, tablets and other personal devices. The highest users of social media were middle level management and general staff who accessed via the office computer before and
after working hours for a duration of between 1 and 2 hours. Nearly half of these accessed during working hours suggesting that they were interrupting their work to access social media. The remaining number of respondents accessed before and after working hours.

The study found that majority of the respondents were in agreement that NIC Bank used social media networks. NIC Bank used these networks for various purposes such as to create and enhance the NIC Bank brand awareness and image, for marketing of new products and for customer service.

The study found that there was a weak to moderate positive relationship between employee productivity and social media use. It was established that 41.2% of the total variation in employee productivity can be explained by the linear relationship between social media use and employee productivity. The other 58.8% of the total variation in employee productivity remains unexplained at NIC Bank.

In spite of the absence of a strong relationship between social media use and employee productivity, the study found that they use of multiple strategies concurrently would work towards improving employee productivity. These strategies have proven effective in other organizations and NIC Bank can benefit too. In addition to a policy and disciplinary actions, NIC Bank should use to a greater extent crowdsourcing, ‘Facebook Fridays’ and enterprise social networks. The strategies if used to a greater extent would improve employee productivity.

5.3 Discussions

The discussions on the findings on the impact of social media on the employee productivity are as follows;

5.3.1 Use of social media

The study looked at the use of social media as an indicator of employee productivity. It reviewed frequency of access, how social media was accessed, time of day when social
networks were accessed and cumulative time spent on social media. Understanding the use of social media by employees helps employers know how their employees are spending their time while at work. The study found that majority of the employees were accessing social media during the day with over 95% of them accessing more than once per week. The highest usage of social media was noted during on office computers / laptops, followed by tablets, phones and finally other devices for periods of 1 to 2 hours per day. A study by Munene & Nyaribo (2013) concurs with these finding. They found that 80% accessed social media sites on a daily basis spending between 1 to 5 hours a week on non-work related items. The study by Munene & Nyaribo (2013), reveals that 64% of the respondent stated they they visited non work related websites every day during work hours. Another study by Ladika (2012), posits that around that three - quarters of employees used their personal mobile devices to access social media at least once a day while on the job, and majority used it several times each workday. The findings imply that employees are interrupting work to access social media on personal devices and this should be of great concern to employers.

Many businesses have been adept at harnessing the power of social media to their advantage. Increasingly, organizations, are adopting social media use for marketing and consumer outreach amongst other uses. From the study, all of respondents unanimously agreed that NIC Bank used social media to reach customers. This concurs with the study by Ashraf & Javed (2014) who found that organizations are using social networking sites for professional benefits like creating customer relationships. NIC Bank has embraced the use of social media as it seeks to remain relevant.

The study results depict that NIC Bank uses social media for various purposes. 82% of the respondents agreed that social media was used to create and enhance the brand and image. From the study results, NIC Bank uses social media to create and enhance its brand and image to a great extent as demonstrated by a mean score of 3.68. This is concurred by a study by Chapman & Cutler (2014), who found that when organizations connect with their customers, they enhance their brand name by providing consumer education and positioning; information about the company and providing updates that impact a customer’s use of its services.
The study results depict that majority of the respondents agreed that NIC Bank uses social media for marketing of new products, promotions etc. to a great extent as shown by a mean score of 3.61. This is concurred by Camhi (2013) who found that increasingly banks have started to use targeted ads and leveraging the data tools that Facebook and other social networks provide to market their products. Social media has proven to be an effective tool in interacting with customers.

Addressing customer concerns and demonstrating excellent customer service via social media is yet another way banks are using social media. The study results depict NIC bank uses social networks for customer service to a great extent as shown by a mean score of 3.61. This is concurred by Ryan (2014), who found that social media sites can be used as an engagement forum for banks and their customers.

The study results depict that majority of the respondents agreed that NIC Bank uses social networks for internal engagement to a great extent as shown by a mean score of 3.62. Leveraging social media offers banks an opportunity to dispense with traditional silos that can impede internal collaboration.

The study results depict that more than half of the respondents agreed that NIC Bank uses social networks for recruitment of new staff to a great extent as shown by a mean score of 3.78. The study results reveal that NIC Bank acknowledges the power of social media when it comes to recruitment of new talent. This finding is concurred by Kluemper and Rosen, (2009), who found that social networks are playing a role in recruitment of new employees. Emolument (2013) found that sites such as LinkedIn and Twitter were extremely popular amongst recruiters.

5.3.2 Impact of social networks on employee productivity
The study sought to find out if employee productivity was impacted by use of social media during working hours. With the explosion of the social media phenomenon making it part of daily life to many people, organizations are looking for ways to strike a balance between social media use and its effects on employee productivity in terms of use of organizational resources and time. The study found that there is a positive but weak to moderate relationship between
social media use and employee productivity. 41.2% of the variation in an employee’s productivity can be explained by the variation in social media use. The remaining 58.8% is unexplained. The findings affirm that there is some variation in employee productivity that can be explained by social media use. Fahmy (2009), corroborates these findings although to a greater extent. He found that 70% of the respondents who used internet for personal surfing resulted in sharpened employee’s concentration. It is assumed that by taking short breathers, the brain will be refreshed and renewed. Another study by AT&T (2008) agrees with these findings albeit to a greater extent. Majority of the employees at AT&T admitted that social media made them more efficient workers, gave them more creative ideas, helped them gain knowledge and come up with solutions.

The study found that use of social media resulted in a severe impact on innovativeness. It is unclear whether the impact was negative or positive. Organizations have discovered the power of social media to provide an inexpensive forum to harness innovations. Chu and Chan (2009) found that in today’s business environment innovative organizations could use social networking sites to identify and capture new ideas for creating new products and services.

According to Bennett, Owers, Pitt, & Tucke (2010), social media provides an avenue for strengthening of weak ties. Social media becomes critical in the enhancing of weak ties inside an organization if harnessed the right way. The study found that there was strengthening of weak ties when employees used social media.

The study also found that employee relations and interconnectedness were impacted as a result of engaging in social media. This finding is corroborated by Re´my, Yoshida, and Tomoak, (2010), who stated that SNS provides interconnectedness among employees in the organization and organizations that have embraced SNS have increased employee productivity. The existence of a wider and richer network of individuals collaborating via SNS within or outside an organization creates a cohesive structure and therefore improving organizational performance.
The study found that there was a decrease in staff engagement as a result of social media use. Ashmore & Herman (2006) agreed with these findings. They concluded that deviant use of technology may distract employees from job tasks which make employees less engaged.

5.3.3 Strategies to enhance employee productivity via social networks
With increased use and adoption of social media for both personal and work related purposes, organizations have implemented various strategies as they seek to control social media use during working hours with hopes of improving employee productivity. The study assessed the use of various strategies to improve employee productivity when using social media.

The first strategy that was looked at was the use of a policy. The study results depict that all the respondents agreed that NIC Bank has a policy on access to social networks that restricts use of social networking sites during working hours. The existence of a policy contributes as a strategy to controlling use of social networking sites during working hours and it is expected will result in reduced wastage of time and improved employee productivity. This finding is concurred by D’angelo (2013), who in his study highlights various companies that have incorporated social media policies to guide employee engagement and increase productivity while at work. NIC Bank has a social media policy that controls access and staff are aware of its existence. However, the existence of a policy is not a fool proof approach to increasing employee productivity as it has been proven that staff will still access social media via personal devices.

The study also assessed the use of disciplinary action as a strategy to improve employee productivity. The respondents unanimously agreed that none of them had experienced disciplinary actions relating to the use of social media. This is perhaps because instead of using office computers, they switched to personal devices, which were not monitored by NIC Bank. Whereas the approach to use disciplinary action seems logical, it is not effective as it has not discourage use of social media during working hours. The absence of disciplinary action is contrary to the study by Proskauer (2014) that found that 70% of employers had taken action against staff for misuse of social media. Disciplinary action as a strategy may be successful,
however it has not been proven to be successful at NIC Bank because no one has been punished.

Making employees feel they are part of the company strategy and can contribute to decision making can be of great benefit to the employer too. The study assessed the use of crowd sourcing as a strategy to improve employee productivity. Over half of the respondents stated that crowdsourcing was sometimes used at NIC Bank. This is contrary to the study by Asif (2013) that found that organizations reaped numerous benefits from frequent use of crowd sourcing. As a result of the notable benefits offered by crowd sourcing, banks such as Barclays Bank Plc have followed suit. Ideaconnection (2007).

‘Facebook Fridays’ was another strategy that was identified as a driver to improve staff productivity. The study found that NIC Bank utilised this strategy sometimes. California software company Serena, has implemented “Facebook Fridays” which allows employees a free hour every Friday to update their Facebook profiles and keep in touch online with colleagues. These companies appreciate that it is impossible to completely restrict access to social media during working hours and therefore allow access to Facebook and other social media to their staff at certain times.

Most of the respondents agreed that enterispe social networks (social networks dedicated to staff use only) were often used by NIC Bank to improve employee productivity. The study by Awolusi (2012), differs significantly with this finding. It states that enterprise social networks, are developed and heavily used with the primary aim of promoting collaborations across hierarchical and geographical structures within an organization. Enterprise social networks provide support for informal networks that are crucial to collaboration among employees with different skill sets in knowledge-intensive industries. These frequent collaborations often results in improved employee relations and ultimately productivity. NIC Bank would benefit immensely from frequent use of its enterprise social networks.
5.4 Conclusion

5.4.1 Use of Social Networks
The study concludes that employees are accessing social media during working hours accessing more than once per week during working hours, for between 1 and 2 hours on their personal devices and tablets. This means that they were interrupting their work to and spending time on social media even while restrictions are enforced through office computers. Social media is a force that cannot be ignored and organizations need to embrace this reality and look for ways to work with and not against the use of social media use during working hours. The study also concludes that banks have acknowledged the power of social media and are increasingly using it to enhance their brands, promote products and market new products, are increasingly using social media to create brand awareness, customer service, internal engagements as well as recruitment.

5.4.2 Impact of social networks on employee productivity
The study further concludes that there is a positive but weak to moderate relationship between social media use and employee productivity. Social media use allows both organizations and individuals to reap certain benefits. Its use generally stimulates collaboration and knowledge sharing between individuals, which can lead to increased or decreased productivity. Employers need to take cognizance of this and look for way to work with social media.

5.4.3 Strategies to Enhance Productivity via Social Networks
Finally the study concludes that implementation of various strategies to control the use of social media is key to improve employee productivity. The implementation of a policy is one such strategy. Disciplinary actions is another strategy. Additional strategies such as crowdsourcing, Facebook Fridays and enterprise social networks have been used. These have been used to varying degrees of success at NIC Bank. The study further concludes that in order to enhance productivity there is need for NIC Bank to utilise these strategies to a greater extent as studies by others have proven that these strategies work.
5.5. Recommendations

Based on the study the following recommendations are made.

5.5.1. Recommendations for the study

5.5.1.1. Use of social media

Stiff competition within the banking sector has compelled banks to come up with new strategies to remain relevant and increase profits. Social networking is one such strategy that can be used by banks to grow and continue to be relevant. For banks to maintain their market position there is need to use social media to a greater extent. Social media allows banks to create and enhance their brand, market new products, for customer service, internal engagements with staff and recruitment of new staff. The study recommends the continuous use of social media to enhance and improve their presence. Additionally, employees continue to access social media during working hours and on personal devices in spite of restrictions and threats of disciplinary action. The study recommends that NIC Bank revisit the social media policy as it has proven not to be entirely effective at restricting access during working hours.

5.5.1.2. Impact of social networks on employee productivity

The effects of social networks on employee productivity in Kenyan banks cannot be ignored. The study found a positive but weak to moderate relationship between social media use and employee productivity. Whereas the impact was found to be weak to moderate, it is important for organizations to take cognizance of this impact. Positive effects of social media engagement include strengthening of weak ties, innovations, improved employee relations, and interconnectedness. Banks cannot ignore the benefits that come with increased social media use for both the organization as well as to the employees. There is need therefore for the management of such banks to put in place measures to ensure that they reap maximum benefits form their employees through social networks so as to enhance the brand and improve employee productivity. The study recommends that even as banks implement policies to
control use of social media, there are some positive outcomes that come from employees engaging with social media during working hours. These should not be ignored.

5.5.1.3. Strategies to enhance Productivity via Social Networks

To improve employee productivity, banks need to implement various strategies. The study recommends the use of a policy together with other strategies in order to achieve a ‘win win’ outcome. The study recommends greater use of multiple strategies such as ‘Facebook Fridays’, crowdsourcing, enterprise social networks. When implemented together, these strategies can result in improved employee productivity.

5.5.2. Recommendations for Further Studies

This study was restricted to one bank within Kenya. The researcher recommends that there is need to have additional studies conducted on the effect of social media on employee productivity across various banks and industries.

Further studies on the effect of unrestricted social media use on employee productivity needs to be carried out. The study found that even with the existence of a policy restricting use, employees’ still accessed social media on their smart phones, tablets and other devices. This study would be useful in informing organizations whether there is need for a social media policy.

Further studies to quantify the impact of social media and employees productivity needs to be carried out. This study established that there was indeed an impact on employee productivity but did not quantify the magnitude of the impact. Further studies quantifying the impact would be useful to organizations so that they can take corrective actions and improve employee productivity.

Finally, further studies need to be undertaken on the efficacy of the use of social media policies as well as disciplinary action to deter the use of social media during working hours. The study found that in spite of the existence of a policy, employees’ still accessed social media via personal devices. Yet, organizations continue to implement social media policies, why?

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APPENDICES

Appendix I: LETTER OF INTRODUCTION

Dear Sir/Madam,

RE: REQUEST TO PARTICIPATE IN A RESEARCH STUDY

I am a graduate student at United States International University-Africa pursuing a degree of Masters in Business Administration (MBA). As part of my degree requirement, am currently conducting a research on the Impact of Social Networks on Employee Productivity in Commercial Banks in Kenya with a focus on NIC Bank Kenya.

I wish to request for your participation and cooperation in filling this questionnaire. This research study will assist the management of NIC Bank to identify ways they can use social media positively for increased employee productivity. Kindly note that any information you give will be treated extremely confidential and at no instance will it be used for any other purpose other than for this project.

Your assistance will be highly appreciated. I look forward to your prompt response.

Regards

Esther Mwituria
Appendix II: Research Questionnaire

Social networking sites are websites that enable users to create public profiles within the website, communicate, share and form relationships with other users of the same website that access their profile. These include sites like; Facebook, Twitter, Instagram, LinkedIn and YouTube.

This questionnaire is to be filled in its entirety and with as much details as possible. Kindly relate the answers of this questionnaire to social networking sites and how they have impacted on employee productivity.

PART 1: General Information

(Please tick appropriately for each question and elaborate where necessary).

1. Gender
   Male [ ]    Female [ ]

2. Age group
   21 - 30 [ ]    31 – 40 [ ]    41– 50 [ ]    51 and above [ ]

3. What is your position at NIC Bank?
   Senior Management [ ]
   Middle level Management [ ]
   Supervisory Management [ ]
   General Staff [ ]
   Other [ ]

4. Which department do you report to?
   Marketing department [ ]    Credit Risk Department [ ]
   ICT department [ ]    Operations [ ]
5. How long have you worked at NIC Bank?
   Less than a year [ ]
   1-2 years [ ]
   3-4 years [ ]
   More than 5 years [ ]

PART 2: Use of social media at NIC Bank

6. How frequently do you access social networking sites?
   Multiple times a day [ ]
   At least once a week [ ]
   Once a day [ ]
   Once a month [ ]

7. How do you access social networking sites? (please tick all that apply)
   Office PC/Laptop [ ]
   Tablet [ ]
   Phone [ ]
   Other (please elaborate) ……………………………

8. What time of the day do you access social networking sites?
   Before working hours [ ]
   After working hours [ ]
   During the day [ ]
   All the Time [ ]

9. How much time do you spend on social networking sites in a day? (please estimate the cumulative time spent)
   Less than an hour [ ]
   1 hour -2 hours [ ]
   More than 2 hours [ ]

PART 3: Use of social media at NIC Bank and its effects employee productivity

10. Does NIC Bank use any social networking sites?
    Yes [ ]
    No [ ]
    Not Sure [ ]

11. In your opinion, please rank from (1-Not Used, 2-Sometimes, 3-Often, 4- Always, 5-Not Sure) how NIC Bank uses social networking sites to achieve the below goals
<table>
<thead>
<tr>
<th>Uses</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. To create and enhance the NIC Bank brand awareness and image</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. For marketing of new products, Promotions etc.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. For customer service</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. For internal engagements &amp; collaboration with staff</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5. For recruitment of new staff</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

12. Please indicate to what extent social networking has impacted your productivity at NIC Bank. Please tick where appropriate on a scale of 1-3. (1-No impact, 2- Moderately, 3-Severly).

<table>
<thead>
<tr>
<th>No Impact</th>
<th>Moderately</th>
<th>Severely</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Innovativeness</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>(ii) Strengthening weak ties</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>(iii) Interconnectedness</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>(iv) Decreased staff engagement</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>(v) Employee Relations</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>(vi) Other</td>
<td>.................................................................</td>
<td></td>
</tr>
</tbody>
</table>

PART 4: Strategies to improve employee productivity

13. Are you aware of any restrictions on employees accessing specific social networking sites during official working hours?

   Yes [ ]    No [ ]    Not Sure [ ]

14. Does the bank have a policy on use of social networking sites?

   Yes [ ]    No [ ]    Not sure [ ]
15. Have you experienced any disciplinary actions relating to the use of social networking sites during working hours?
Yes [ ] No [ ]

16. With regards to social networking, please indicate if any of the following strategies have been used at NIC Bank to improve employee productivity. Please tick where appropriate on a scale of 1-5. (1-Not used, 2-Sometimes, 3 - Often, 4 – Always, 5-Not Sure).

<table>
<thead>
<tr>
<th>Approach</th>
<th>Not Used</th>
<th>Sometimes</th>
<th>Often</th>
<th>Always</th>
<th>Not Sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Crowdsourcing (soliciting contributions from a large group of people)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Facebook Fridays (specific days where staff are allowed to access social network sites without restrictions)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Enterprise Social Networks (social networks restricted to staff only)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. Social Awareness Enhancing</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Thank You!!