Int Journal of Social Sciences Management and Entrepreneurship 5(2): 87-98 2021

ISSN 2411-7323

www.sagepublishers.com

OPERATION MANAGEMENT ON SUCESSS OF PROJECTS IN COMMERCIAL BANKS IN NAIROBI COUNTY, KENYA

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ABSTRACT

Operations management functions enable banks to effectively deploy their operations and implement their projects successfully. The study therefore sought to investigate the influence of the operation management on success of projects in Nairobi County. The study objectives were to: establish the influence of expansion strategies on success of projects in commercial banks in Nairobi County, Kenya, and to establish the influence of customer satisfaction on success of projects in commercial banks in Nairobi County, Kenya. The study adopted descriptive survey design and mixed methods where both quantitative and qualitative data were used. The target population was 455 consisting of 44 operation managers, 44 customer service managers and 367 customers of the 44 duly registered commercial banks. The sample size of the study was 213 individuals which was calculated with the aid of Yamane Formula. Both stratified and simple random sampling was employed. Stratified sampling was used to stratify the sampling frame elements into three strata consisting of operation and customer service managers and the banks customer. The sample size was then proportionately allocated to the strata. Random sampling was used to pick the bank customers from the banking hall. Self-administered questionnaires were used to collect data from both the managers and customers. The quantitative data collected was analyzed with the help of SPSS. A good response rate of 63% was realized. The study concludes that expansion strategies have a significant effect on the success of projects in commercial banks in Nairobi County. The study also concludes that customer satisfaction has a significant effect on the success of projects in commercial banks in Nairobi County. In line with the findings, this study recommends that the management of commercial banks in Nairobi County should formulate and implement effective strategies aimed at improving the quality of services offered to customers. In addition, the management should ensure staff friendliness to the customers, timeliness of service delivery and personal attention from staffs.

Key Words: Operation Management, Expansion Strategies, Customer Satisfaction, Success of Projects, Commercial Banks, Nairobi County

Background of the Study

Operations management is concerned with creating, operating, and controlling a transformation system which takes inputs of a variety of resources and produces outputs of goods and services which are needed by customers. It is the activity of managing the resources which produce and deliver products and services (Slack et. al.,2010). Every organization has an operations function because every organization produces some vital type of product and/or services. However, not all types of organizations will necessarily call the operations function by this name. Operations management evolved with the introduction of Frederick W. Taylor's systematic approach to scientific management at the beginning of the twentieth century (Inman, 2006). Until the end of the 18th century, agriculture was the predominant industry in every country (Dilworth, 1992). The advent of the steam engine and Eli Whitney's concept in 1800 of standardized parts paved the way for the Industrial Revolution with its large manufacturing facilities powered by steam or water (Slack et. al., 2010).

According to Waters (2002), operations are the activities that are primarily concerned with making organizations produce products efficiently and effectively. These activities include layout, human resources and job design, supply chain management, scheduling, and maintenance. According to Slack et al (2010), there are five operations performance objectives which are cost, quality, speed, reliability and flexibility. Cost involves adopting a positive strategy of minimizing costs and supplying products at the lowest possible prices.

Quality refers to the ability to produce in accordance with specification and without error. Speed is the ability to do things quickly in response to customer demands and thereby offer short lead times between when a customer orders a product or service to when they receive it. In reliability, companies' deliver products and services in accordance with promises made to customers without fail. The ability to change operations and meet specific customer requirements brings about flexibility. Flexibility comprises of four aspects of ability to change the volume of production, ability to change the time taken to produce, ability to change the mix of the different products or services produced, the ability to innovate and introduce new products and services.

Adoption of these operations management practices and excelling at one or more of them can enable an organization to pursue a business strategy based on a corresponding competitive factor (Barnes, 2008). Similarly, to be a world class company, one must no longer view cost, quality, speed of delivery and even flexibility as tradeoffs but as essentials to any business function (Slack et. al., 2010).

Statement of the Problem

Global competition has caused fundamental changes in the competitive environment of organizations and industries. Firms must develop strategic objectives which, upon achievement, result in a competitive advantage in the market place. These days most organization are project based, meaning that the work they do apart from the normal services is split into projects designed to deliver their strategies. For instance, projects such as online telephone banking, card services and call center services are implemented in most institutions to boost productivity and increase efficiency of the production in the organization. However, most firms have cracked ways to find an ultimate productivity improvement strategy through implementation of projects but that have not been fruitful. This setback has been attributed to various factors that hinders the success implementation of the projects in the organization. (PwC, 2007).

The operations function plays a major role in successful implementation of projects through providing a product (goods or services) that is suited to the company's capabilities and for which there is a sufficient market; providing a product with consistent quality at a level that appeals to intended customers and serves their needs; providing products at a cost that allows an adequate profit and a reasonable sales price (Robb and Arthanari, 2008). Gupta and Marquez

(2005), assert that, for an organization to be operationally successful, it must increase its productivity and minimize its costs. Mulwa (2000) notes that, for a firm to succeed, it must adopt efficient and effective production processes, monitor and continuously improve those processes. The production costs of an organization must therefore be minimized while at the same time increasing productivity, capacity, reliability and availability (Al-Turki,2011).

According to Rioba (2015), on the factors affecting basic model of World Class Manufacturing (WCM) quality management for the production system in the automotive industry. The research established that in most organizations in order to makes products of the highest quality and eliminating losses in all the factory fields, an improvement of work standards is paramount. However, despite there being numerous studies done in relation to operation management practices, most studies have focused on the organizational performance. Therefore, this study is undertaken to fill the knowledge gap by assessing the influence of operation management on

Objective of the study

The general objective is to analyze the influence of operation management on success of projects in commercial banks in Nairobi County.

Specific Objectives

i. To establish the influence of expansion strategies on success of projects in commercial banks in Nairobi County, Kenya.
ii. To establish the influence of customer satisfaction on success of projects in commercial banks in Nairobi County, Kenya.

LITERATURE REVIEW

Theoretical Review

Resource-Based View Theory (RBV)

This theory was proposed by Penrose (1959) and it emphasizes on the organization's ability to use firm-specific resources, i.e. the company's strategic resources such as physical resources, human resources, and organizational resources to gain a competitive advantage over other firms and achieve more performance (Shahmansoun, Esfahan & Niki, 2013). For a firm to grow both inside and then externally either through merger, acquisition, or diversification, it will rely upon the way in which its resources are utilized (Newbert, 2007). This implies that for a firm to successfully execute a diversification strategy, it must have satisfactory resources to facilitate it without which it was unable to actualize the strategy regardless of how great it might be. He further postulates that despite the fact that a firm's performance is driven directly by its products, it is at last determined by the resources that go into their products and thusly resources are likewise critical with regards to implementation of product development strategy.

Expansion has been approached by Dunning and McQueen (2006) who use economic theories to explain the strategies adopted by some large banking organizations when expanding their business. Some authors have questioned the process and the content of the classical expansion strategy theory advanced by Mintzberg (2008). They sought to explain superior performance due to the firms resources and their ability to utilize them. These scholars refer to a modern expansion strategy theory known as the resource based expansion theory. They however stress that their approach is at par with the „classical theories‟ and mainly trace their theory on the work of Penrose (1959) and Schumpeter (1934). The resource based theory draws insights from the economic theory of the firm, focusing on the economic rationale of a firm's existence (Conner, 2009). They help to understand firms as value creators in contrast to value appropriative focus in traditional approaches.

The resource based theory consists of a number of related but distinct branches; resource-based theory, dynamic capabilities and the core competencies approach (Willianson, 2004). Peteraf

(2005) underscores four cornerstones of competitive advantage; heterogeneous competitors; imperfect mobility of strategic resources; ex ante limits to competition of these assets; and expost limits to competition so that economic rents can prevail. Dierickx and Cool (2009) bridge between resource-based theory and organizational learning and they explicitly discuss the strategic value of organizational learning process protected against imitation by causal ambiguity and time compression diseconomies. As such, this study will be based on the resource based theory since it provides a better understanding of the multifaceted inside of organizations and their complex interaction with their environment as they seek optimal performance. It therefore best explains the influence of expansion strategies on success of projects in commercial banks in Nairobi County, Kenya.

Evaluative Congruity Model

Evaluative Congruity Model (or the Social Cognition Model) explains satisfaction as a function of evaluative congruity, which is a cognitive matching process in which a perception is compared to evoked referent cognition in order to evaluate a stimulus or action. The result of this cognitive process is assumed to produce either a motivational or an emotional state. Customer satisfaction/ dissatisfaction are regarded as an emotional state because it prompts the consumer to evaluate alternative course of action to reduce an existing dissatisfaction state and /or obtain a future satisfaction state.

This model argues that there are three congruity states; negative incongruity, congruity, and positive incongruity. Negative incongruity is a cognitive state that results from a negative discrepancy between the valence levels of a perception and an evoked referent cognition, which induces dissatisfaction. Congruity is a cognitive state that leads to a non-significant or negligible discrepancy between a perception and an evoked referent cognition, which results in a neutral evaluation state or a satisfaction state. Finally, positive incongruity-state results from a positive discrepancy between a perception and an evoked referent cognition, which generates satisfaction.

The theory therefore views customer satisfaction/dissatisfaction as a function of one or more congruities between perceptual and evoked referent states and states that the occurrence of multiple comparison processes could explain consumer satisfaction better (Sirgy, 1984). The model will therefore be used to establish the influence of customer satisfaction on success of projects in commercial banks in Nairobi County, Kenya

Conceptual Framework

A conceptual framework explains either "graphically, or narratively, the main things to be studied, taking into consideration the main factors, constructs or variables, and the presumed relationships among them (Nielsen, 2013). This process discusses the conceptual framework for analyzing the influence of operation management on the success of projects in commercial banks in Nairobi County.

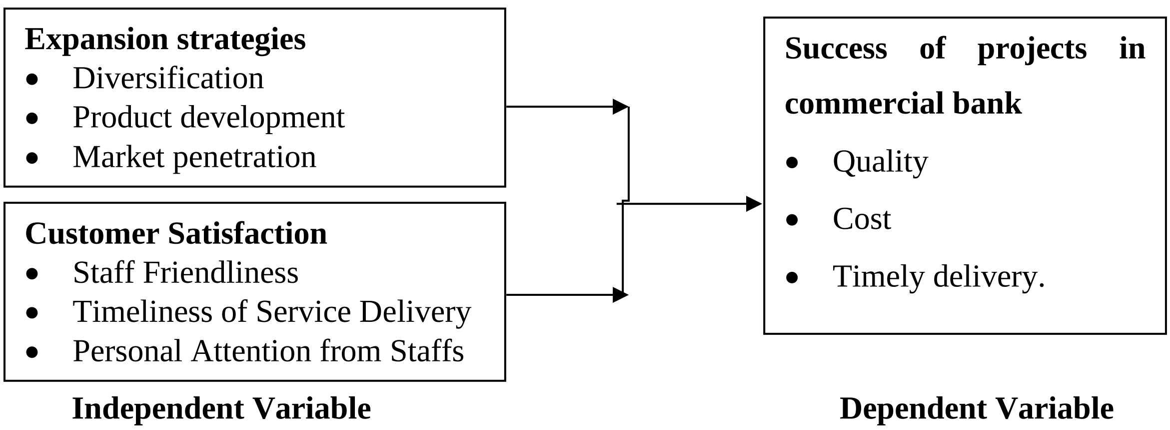

Figure 2.1: Conceptual Framework

Expansion Strategies

In respect of expansion in the banking sector stress that although it offers many benefits to the firms operating in this sector, there are also many complex issues associated with global expansion. Some of these issues have been identified by Dymsza (2018), who highlights the following most relevant: firm must deal with multiple political, economic, legal, social and cultural environments as well as various rates of change within each of them. Between national and foreign environments are complex because of national sovereignty issues and widely differing economic and social conditions. Separation, cultural and national differences, and variations in business practices all tend to make communication between headquarters and overseas affiliates difficult. Of present and future competition may be more difficult to undertake in a number of countries because of differences in industrial structure and business practices. Degree of significant economic, marketing and other information required for planning varies a great deal among countries in availability, depth and reliability.

According to Fish and Rudolf (2016), these complexities are especially important in the banking industry where changing environmental conditions can have a large impact on banks returns. In order to overcome these complexities, they propose a decision criterion for expansion. These from their point of view are usually determined by marketing opportunities in a foreign country by way of a four-step process: of the general environment; market potential; sales; and weighting prospective profitability versus risks. They further emphasize that analysis of the business environment takes on a much more significant dimension in plotting international expansion. Such an analysis includes studying political, economic and social aspects of the target country.

The strategies of business expansion in the banking sector have been looked at occasionally by researchers who did not distinguish processes from strategies. However, organic growth and licensing have been regarded as the main strategies for banks business expansion. This importance of monitoring the environment has been emphasized by Rugman and Hodgetts (2019), who maintain that the information resulting from this process can be used for strategic purposes. It is their view that the increased complexity, the acceleration in the rate of change and the variability in the environment and resulting trends have brought about a need for management to develop methods of monitoring the environment.

Regarding strategic planning for banking organizations, Gerry and Kevan (2018) argue that, apart from the obvious service nature of the industry, applications of strategy will have to take into account the variability of conditions in different locations due to the multi-site nature of hospitality operations. They also stress the need to plan corporate wide issues and the overall distribution of bank portfolios when deciding where new units should be opened and existing ones disposed of. Stevensson (2018) recognize the same need and recommend the linking of environmental scanning activities to the strategic planning process in order to improve the quality of the decision-making process.

Customer Satisfaction

Customer satisfaction is a term frequently used in marketing. Oliver (2013) defined customer satisfaction as a measure of how products and services supplied by a company meet or surpasses customer expectation. He argued that, Customer satisfaction can be expressed as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals. It is seen as a key performance indicator within business and is often part of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. The importance of customer satisfaction diminishes when a firm has increased bargaining power, i.e. company not facing major competition.

Expectations of a customer on a product indicate his anticipated performance for that product. As it is suggested in the literature, consumers may have various "types" of expectations when forming opinions about a product's anticipated performance .e.g. ideal, expected, desirable and tolerable (Oliver 2013). Organizations need to retain existing customers while targeting non-customers. Measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace. Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products.

If the performance of a firm falls short of these expectations, the customer becomes dissatisfied. If the performance matches expectations, the customer is satisfied. If the performance exceeds expectations, the customer is delighted. Only delighted customers or highly satisfied customers remain loyal to the services provider. There is a diversity of definitions for customer satisfaction. From the review of literature it is apparent that researchers have tended to use determinants of customer satisfaction to define and measure customer satisfaction. Some of the determinants used include loyalty, quality service, expectations and perception (Anderson & Fornell 2017).

Success of Projects

One firm’s success of projects measure is quality which is measured in a number of ways including: parts per million, customer defects per project and field failure rates by purchase item and by supplier. (Chen et al, 2014). Another measure is responsiveness/ time / delivery which measures the amount of time in weeks or months from concept to first shipment or delivery of final product to the market with the objective of continuous reduction of time to the market. The measures here include: on time delivery, cycle time reduction, responsiveness to schedule changes, mix changes and design or service changes and achieving new product introduction (Singer, 2017). There is need to also measure performance of production since it has a major impact on product cost, quality, speed of delivery, and on delivery reliability and flexibility (Rioba, 2015).

Delivery time of goods and services is another measure of success in the firm and since it directly deals with customers it is referred to as driver of customer satisfaction (Cardenas et al, 2017). Some of the measure of delivery include: on-time delivery, delivery-to-request date; delivery-to-commit date; and order fill lead-time. success measurement must be linked to time and scheduled budget of the project (Toray, 2012). There is therefore need for measurement of integration of the customer specification in design, to set the dimensions of quality, for cost control, and as a feedback for the control of process. The following are some of the related performance metrics: flexibility, customer query time (time it takes for a firm to respond to a customer inquiry with the required information), reduction in Warranty claims, and number of customer complaints and percentage of orders with complaints, customer satisfaction, and order entry accuracy (Manal *et al* 2014).

Other success measures include quality and cost with common price performance looking at actual purchase cost against planned purchase price (Baechler et al 2013) and cost looking at cost changes and cost avoidance. A cost change is the increase or decrease in cost resulting from a change in purchasing strategy while cost avoidance represents the difference between a price paid and a potentially higher price which might have occurred if a purchase had not been obtained at a lower price (Christian, 2011).

Empirical Review

Expansion Strategies and Project Success

Mutuma (2017) researched on effects of expansion strategies on performance of commercial banks in Kenya a case of banks on tier one. This research problem was studied through the use of a descriptive research design. The target population of this study was the staff working at Commercial Banks in Kenya in Tier One. The study focused more on the section and particularly on the top, middle and lower level management staff who are directly dealing with the day to day management of the banks since they are the ones conversant with the subject matter of the study. A sample of staff drawn from the population of 232 management staff working in Commercial Banks in Kenya of the top, middle and low level management ranks was used. Stratified proportionate random sampling technique was used to select the sample. From each stratum, simple random sampling was used to select 70 respondents. Primary data was collected using a questionnaire while secondary data was obtained from annual reports of the companies. Data collected was purely quantitative and it was analyzed by descriptive analysis. In addition the study used Karl Pearson's product moment correlation analysis to assess the relationship between the variables. From the findings, the study concluded that product development has the highest effect on performance of commercial banks, followed by market penetration, then diversification while market development having the lowest effect on the performance of commercial banks.

Harzing (2019), asserts that firms mainly seek to increase their market share to gain reputation since market leaders have an influence that they can use to their advantage. A firm may use its influence in an industry to increase its bargaining power. A larger player has an advantage in negotiations with suppliers and channel members than a smaller player in the industry has. This power enables a firm to be more competitive in the industry which ultimately results to increased performance.

According to Jones (2018), expansion is among the most challenging decisions for a company as it reduces the risk of operating in a volatile market. Previous experiences and knowledge of the firm can be a guide for future operations. Before making a strategic decision a manager must do a cost benefit analysis and determine whether it is in line with the company‟s objectives and mission. The manager must also consider the knowledge acquired to be of use to the company in future expansion and allow them to learn competencies that can be reapplied in their existing business. A forward thinking manager is more worried about winning a war than winning a battle (Thompson, 2015).

According to Heid and Lawrence (2018) expansion decisions are more complex than investment decisions because they involve many domains. An expansion has substantial intangible implications which may not be the case with investment. It is that an investor's sole purpose is to maximize his wealth, but firms might be having objectives other than just making profit like employment generation, brand imaging, entering new market segments, strategic move, forward integration, and backward integration (Capar and Kotabe, 2017). The units of a firm are more interrelated than the assets of an investor.

Customer Satisfaction and Project Success

A study conducted in Ghana by Elvis, Andrew and Bonye (2018) noted that customer focus in one the key principles of TQM. Success of an organization is determined by how well customer needs are understood. Internal customers who are employees form crucial component of TQM implementation team. TQM is a system which ensures quality in an organization. Globally much attention has been given to customer focus in hospitality, construction and health care. Product focus is one of the approaches on customer focus. Customer satisfaction increases when effective implementation on TQM practices is conducted. Quality service offered enhances customer loyalty through satisfaction, hence good reputation of business leading attraction of more customers.

Customer satisfaction and good reputation turns to be cost effective means of marketing the business, therefore profitability and market share of the organization most likely increases (Bhah & Tee, 2016). Kanorio (2018) states that TQM is a management philosophy which applies devolution of authority from the front line staffs. It is a practice that encompasses every staffs in decision making process through activities such as quality cycles and strong team work.

Yu-yeon et.al (2016) concluded that customer satisfaction is one of key drivers of firms' performance. Study by Zulnaidi (2018) ascertained that integral TQM practices based on customer focus compel employees to deliver quality service intending to meet customers' satisfaction. A firm that is customer centric has to continuously improve its products and service delivery. Other practice such as supplier relationship considerations are factored in. Qualified suppliers are to be engaged to maintain customer confidence and satisfaction. Mohamad, et.al (2018) indicated that knowledge management is critical for customer relationship management. A well defined example of knowledge management is the information management on corporate database. Relationship marketing enhances customer-firm relationship hence improved performance of a firm.

RESEARCH METHODOLOGY

The study adopted a descriptive research design. The study populations for this study comprised of operation managers 44, customer's services managers 44 and 367 customers in all the registered commercial banks in Nairobi Kenya. The study used the Yamane (1967) formula to arrive at the sample size. The study used stratified random sampling in selection of 213 respondents, Random sampling frequently minimizes the sampling error in the population. This in turn increases the precision of any estimation methods used (Cooper & Schindler, 2013). The questionnaire is the selected instrument or tool for data collection for the study. Quantitative data collected is analyzed by the use of descriptive statistics using SPSS (Version, 23) and presented through percentages, means, standard deviations and frequencies. The information was displayed by use of bar charts, graphs and pie charts and in prose-form. This was done by tallying up responses, computing percentages of variations in response as well as describing and interpreting the data in line with the study objectives and assumptions through use of SPSS (Version 23) to communicate research findings. Content analysis was used to test data that is qualitative in nature or aspect of the data collected from the open ended questions. The study was conduct a correlation analysis to establish the strength of the relationship between the independent and the dependent variable. In addition, a multiple regression was used to measure the quantitative data and was analyzed using SPSS too.

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

From the 213 questionnaires 201 were completely filled and returned hence a response rate of 94.4%. The response rate was considered as suitable for making inferences from the data collected. As indicated by Metsamuuronen (2017), a response rate that is above fifty percent is considered adequate for data analysis and reporting while a response rate that is above 70% is classified as excellent. Hence, the response rate of this study was within the acceptable limits for drawing conclusions and making recommendations.

Expansion Strategies and Success of Projects in Commercial Banks

The first specific objective of the study was to establish the influence of expansion strategies on success of projects in commercial banks in Nairobi County, Kenya. The respondents were requested to indicate their level of agreement on various statements relating to expansion strategies and success of projects in commercial banks in Nairobi County, Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.1.

From the results, the respondents agreed that market penetration is part of the expansion strategies in their organization. This is supported by a mean of 4.210 (std. dv = 0.981). In addition, as shown by a mean of 3.987 (std. dv = 0.783), the respondents agreed that they are satisfied with the level of market penetration in their organization. Further, the respondents agreed that expansion strategies in their organization are characterized of diversification strategies. This is shown by a mean of 3.928 (std. dv = 0.925).

The respondents also agreed that through implementation of expansionary strategies new products have been developed. This is shown by a mean of 3.918 (std. dv = 0.809). The respondents further agreed that the expansion strategies implemented in their organization are effective enough. This is supported by a mean of 3.892 (std. dv = 0.924).

As shown by a mean of 3.842 (std. dv = 0.821), the respondents agreed that expansion strategies entail new product development. Further, the respondents agreed that their organization has adopted expansionary strategies. This is shown by a mean of 3.736 (std. dv = 0.708).

Table 4. 1: Expansion Strategies and Success of Projects in Commercial Banks

	Mean	**Std. Deviation**
Our organization has adopted expansionary strategies	3.736	0.708
Expansion strategies in our organization are characterized of diversification strategies	3.928	0.925
Expansion strategies entail new product development	3.842	0.821
Through implementation of expansionary strategies new products have been developed	3.918	0.809
Market penetration is part of the expansion strategies in our organization	4.210	0.981
Am satisfied with the level of market penetration in our organization	3.987	0.783
The expansion strategies implemented in our organization are effective enough	3.892	0.924
Aggregate	**3.854**	**0.861**

Customer Satisfaction and Success of Projects in Commercial Banks

The second specific objective of the study was to establish the influence of customer satisfaction on success of projects in commercial banks in Nairobi County, Kenya. The respondents were requested to indicate their level of agreement on various statements relating to customer satisfaction and success of projects in commercial banks in Nairobi County, Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.2.

From the results, the respondents agreed that the level of customer satisfaction in their organization has improved. This is supported by a mean of 3.982 (std. dv = 0.782). In addition, as shown by a mean of 3.859 (std. dv = 0.885), the respondents agreed that the organization ensures services are delivered on time. Further, the respondents agreed that they are satisfied with the attention given to our customers by their staff. This is shown by a mean of 3.805 (std. dv = 0.981).

The respondents also agreed that they have received new referrals from their customers. This is shown by a mean of 3.786 (std. dv = 0.874). From the results, the respondents agreed that the organization staff are friendly to their customers. This is supported by a mean of 3.768 (std. dv = 0.905). In addition, as shown by a mean of 3.700 (std. dv = 0.605), the respondents agreed that there are few customer complaints regarding to the timeliness of service delivery.

Table 4. 2: Customer Satisfaction and Success of Projects in Commercial Banks

	Mean	Std. Deviation
The organization staff are friendly to our customers	3.768	0.905
The organization ensures services are delivered on time	3.859	0.885
There are few customer complaints regarding to the timeliness of service delivery	3.700	0.605
Am satisfied with the attention given to our customers by our staff	3.805	0.981
We have received new referrals from our customers	3.786	0.874
The level of customer satisfaction in our organization has improved	3.982	0.782
Aggregate	**3.809**	**0.867**

Success of Projects in Commercial Banks in Nairobi County

The respondents were requested to indicate their level of agreement on various statements relating to success of projects in commercial banks in Nairobi County, Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.3.

From the results, the respondents agreed that some of the organization projects take long time than planned. This is supported by a mean of 3.929 (std. dv = 0.851). In addition, as shown by a mean of 3.897 (std. dv = 0.876), the respondents agreed that they are satisfied with the level of project implementation in the organization. Further, the respondents agreed that most of the projects are accompanied with cost overrun. This is shown by a mean of 3.805 (std. dv = 0.830).

The respondents also agreed that projects in their organization are of high quality. This is shown by a mean of 3.786 (std. dv = 0.897). Nevertheless, from the results, the respondents disagreed with the statement indicating that the organization projects are completed within the stipulated time. This is supported by a mean of 1.928 (std. dv = 0.563). In addition, as shown by a mean of 1.684 (std. dv = 0.997), the respondents disagreed with the statement indicating that projects are implemented within the set budget.

Table 4. 3: Success of Projects in Commercial Banks in Nairobi County

	Mean	Std. Deviation
Projects are implemented within the set budget	1.684	0.997
Most of the projects are accompanied with cost overrun	3.805	0.830
Organization projects are completed within the stipulated time	1.928	0.563
Some of the organization projects take long time than planned	3.929	0.851
Projects in our organization are of high quality	3.786	0.897
Am satisfied with the level of project implementation in the organization	3.897	0.876
Aggregate	**3.549**	**0.818**

Correlation Analysis

The present study used Pearson correlation analysis to determine the strength of association between independent variables (expansion strategies and customer satisfaction) and the dependent variable (the success of projects in commercial banks in Nairobi County) dependent variable. Pearson correlation coefficient range between zero and one, where by the strength of association increase with increase in the value of the correlation coefficients. The current study employed Taylor (2018) correlation coefficient ratings where by 0.80 to 1.00 depicts a very strong relationship, 0.60 to 0.79 depicts strong, 0.40 to 0.59 depicts moderate, 0.20 to 0.39 depicts weak.

Table 4.4: Correlation Coefficients

		Project Success	Expansion Strategies	Customer Satisfaction
Project Success	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	201		
Expansion Strategies	Pearson Correlation	.840**	1	
	Sig. (2-tailed)	.003		
	N	201	201	
Customer Satisfaction	Pearson Correlation	.910**	.279	1
	Sig. (2-tailed)	.002	.0721	
	N	201	201	201

The results revealed that there is a very strong relationship between expansion strategies and the success of projects in commercial banks in Nairobi County ($r = 0.840$, p value =0.003). The relationship was significant since the p value 0.003 was less than 0.05 (significant level).The findings are in line with the findings of Harzing (2019) that there is a very strong relationship between expansion strategies and project success.

The results also revealed that there was a very strong relationship between customer satisfaction and the success of projects in commercial banks in Nairobi County ($r = 0.911$, p value =0.002). The relationship was significant since the p value 0.002 was less than 0.05 (significant level). The findings are in line with the results of Zulnaidi (2018) who revealed that there is a very strong relationship between customer satisfaction and project success.

Regression Analysis

Table 4.5: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.184	0.065		2.831	0.001
	Expansion Strategies	0.379	0.104	0.380	3.663	0.002
	Customer Satisfaction	0.454	0.088	0.452	5.057	0.002

a Dependent Variable: Project Success

The regression model was as follows:

$Y = 0.184 + 0.379X_1 + 0.454X_2 + \varepsilon$

The results revealed that expansion strategies has significant effect on the success of projects in commercial banks in Nairobi County $\beta1=0.379$, p value= 0.002). The relationship was considered significant since the p value 0.002 was less than the significant level of 0.05. The findings are in line with the findings of Harzing (2019) that there is a very strong relationship between expansion strategies and project success.

In addition, the results revealed that customer satisfaction has significant effect on the success of projects in commercial banks in Nairobi County $\beta1=0.454$, p value= 0.000). The relationship was considered significant since the p value 0.000 was less than the significant level of 0.05. The findings are in line with the results of Zulnaidi (2018) who revealed that there is a very strong relationship between customer satisfaction and project success.

Conclusions

the study concludes that expansion strategies have a significant effect on the success of projects in commercial banks in Nairobi County. Findings revealed that diversification, product development and market penetration influences the success of projects in commercial banks in Nairobi County

The study also concludes that customer satisfaction has a significant effect on the success of projects in commercial banks in Nairobi County. Findings revealed that staff friendliness, timeliness of service delivery and personal attention from staffs influences the success of projects in commercial banks in Nairobi County

Recommendations

the study found that expansion strategies have a significant effect on the success of projects in commercial banks in Nairobi County. This study therefore recommends that the management of commercial banks in Nairobi County should formulate and implement effective strategies to expand their market share.

The study also found that customer satisfaction has a significant effect on the success of projects in commercial banks in Nairobi County. This study therefore recommends that the management of commercial banks in Nairobi County should ensure staff friendliness to the customers, timeliness of service delivery and personal attention from staffs.

Suggestions for Further Studies

This study focused on the influence of operation management on success of projects in commercial banks in Nairobi County. Having been limited to commercial banks in Nairobi County, the findings of this study cannot be generalized to other financial institutions in Kenya. The study therefore suggests further studies on the influence of operation management on success of projects in other financial institutions in Kenya.

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