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The Effect of Team Learning On Performance of Commercial Banks in Nakuru and Kisii Counties, Kenya

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Abstract: The purpose of this study was to determine the effect of organizational learning dimensions on performance of banking institutions in Kenya in selected commercial banks in Nakuru and Kisii Counties, Kenya. The study sought to determine the effect of team learning on organizational performance of the banking institutions. The study design employed was a cross-sectional using a sample of 257 employees from a population of 776 employees. A questionnaire was used to collect data from the selected respondents. Descriptive statistics and inferential statistics were used to analyse the data. The results indicated team learning had a significant positive relationship with organizational performance ($R^2 = 0.254$) 25.4%; ($\beta_1 = 0.089$, $p < .05$). Based on the β -values it can be concluded that team learning contribute positively to improved performance within the banking sector. The study recommends that bank management should reward employees for their outstanding performance and collaboration in team working and also create platforms that will give the employees a fair chance to participate and contribute to the organization's vision. The study further suggest that similar study should be done on other sectors in Kenya for instance the public sector and findings be compared to establish if there is consistency on the effect of organizational learning dimensions on performance. The information gathered from this study will benefit all the banking managers, researchers, human resource practitioners, employees and other organizations who may find the findings to be useful as a source of knowledge and benchmark for implementation of organizational learning programmes in relevant situations.

Key Words: Team Learning, Organizational Performance, Banks, Kenya

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I. Introduction

Organizational learning in the global world has become very important since it is believed to be a basis for competitive advantage. Through organizational learning organizational abilities is enhanced hence promoting knowledge to cope with external environmental changes (Loon, Hoe and McShane 2010). Organization's ability to learn, gain knowledge and be innovative has an influence on organizational performance, market survival; competition and achievement of greater performance hence continuous change in the business environment (Montes, Moreno and Morales, 2005). The need to remain competitive, open to challenges and be productive in dynamic environment is of great importance. Demand for new innovative products and services have increased in the banking sector hence it has embraced organizational learning and has continually improved its service provision to achieve the fundamental performance (Montes, Moreno, and Morales, 2005). Research studies reviewed showed new methods of learning and efforts of assisting learning to take place as proposed in main theories that contribute to organizational learning. The significance of learning results from the reality that conception of learning technique prompts forecast of the person's conduct. It can also be characterized as a plan of achieving information, knowledge, new ideas, and ability of solving problems.

Team learning has been referred to as actions of employees which are brought together to accomplish a shared goal giving priority to the interest of the organization (Chukwedi, 2014). Team learning is important in that it ensured democracy at the workplace, enhances change, encourages innovation and creativity among employees, and allow for effective decision making. Team learning involves forming teams which are expected to work reasonably towards the realization of organizational goals (Chukwedi, 2014). Team Learning relates to goal setting, information sharing, and group collaboration and mirrors the organization's efforts in relation to dialogue and inquiry (Chukwedi, 2014). A mass or group learning is another level of learning. It implies that a group can be assumed to be a unit and have creativity of its own. Grouping facilitates exchanging of information horizontally or hierarchically through the flow of information in an organization set up. Senge (2010) affirms that learning organization concept is an art and ability of gaining knowledge. An organization, that always

develop and helps its employees to learn and improve their skills tend to thrive. For an organization to survive in this decade, organizational changes are inevitable. Therefore, organizations must change their systems to be able to fit the dynamic world (Shoaib, Ahmed, Erum, & Shaheryar, 2011).

Team learning is an important element of all learning organizations (Garvin, 2010). Teamwork is a collective discipline that comprises developing the practices of dialogue, informed discussion and how to deal with creativity and powerful forces that oppose productive discussion and dialogue, such as defensive reasoning, conflict, avoidance routines and game-playing. It inspires people to develop shared understandings about difficult issues, coordinate their activities and share best practice (Chukwedi, 2014). Commitment is a combination of relevant skills and knowledge required for efficiency in service delivery (Bhardwaj, 2013). Joint effort is the actions of employees brought together to accomplish organizational common goal by giving priority to the interest of the organization (Chukwedi, 2014). Team learning ensures there is democracy at the workplace. It also enhances change, encourage creativity and innovation by allowing effectiveness in decision making (Zaied, Hussein and Hassan, 2012).

Teamwork also increases effectiveness and efficiency hence firms are able to meet their targets and even exceed their customers' expectations. Implementation of teams increases effectiveness and efficiency among employees. Teams cooperate to bring unity in an organization (Bustinza, Molina and Aranda, 2010). It's a way of enhancing their individual efforts through the assistance of top management and employees working. Employees who are motivated are committed in their assigned duties and responsibilities hence organizations achieves the intended purpose (Zheng, Sharan and Wei, 2010). According to Yi (2009), teamwork is an approach of enhancing the performance of individuals, group and organizations. It is through it that managers mentor and nurture individuals hence leads to continuity. There are various strategies of increasing performance in a competitive business environment.

Hancott (2014) argue on the two skills of interpersonal team and self-management. These features empower communication and boost staff performances. (Mulabe, 2013) affirms that team work is very important in a working set up. Teamwork is an accurate measure of organizational performance in that it demonstrates different characteristics of activities involving non-benefit. One study concluded that the great managers are individual who assigns the obligations to staff in a group so as to take more yield from staffs (Yi, 2009). The other study concluded that it ought to be designed as framework of group working with each organization for staffs to move from one level to the other and disseminate best practice in amplifying yield. The main attention for developing and actualizing such structures is to improve and mould employee learning (Mulabe, 2013).

Yi (2009) added that teamwork is a method that enhances the performance of employees and organizations as well but it should be noted that care is key. Team spirit gives employees an opportunity to share their views and ideas in the organization (Mengich, 2016). Team also allow individual achieve team objective. It is through cooperation that members come together with the belief of achieving the organizational goals. Team spirit accomplishes organizational objectives (Manaf, 2012). People who come together have related discipline and they also share the intention of achieving better results. Teams' empowers individuals to have a common goal and also allow areas of criticisms hence improving standards of organizations (Mengich, 2016). Employees should also embrace unity among themselves; this brings trust and honesty in a working environment.

The groups develop the trust in every others' capability (Alavi, 2010). Trust bring change on the behavioural basis of collaboration, which brings about hierarchical cooperative energy and better performance of employees. It is through trust that employees in the organization believed in their leadership hence improvement of operational activities. It is the obligation of organizations to provide a working environment that is conducive. Organization must change conduct behavior in appraising and evaluation of organizational values (Eisenhardt and Martin, 2000). According to Manaf (2012) groups exist when there's teamwork and shared aims among employees. Lessening mistakes, growth in profit and client satisfaction are the criteria's variety through realization of the group that that enable evaluation done (Manaf, 2012). Top management must support contributions among the employees hence trust is fundamental value of the group.

Trust therefore, provides opportunity to employees; individuals and can also share their weaknesses, accept comments freely and state their feelings hence lead to cooperation in an organization (Edmondson, 1999). Work groups represent a number of people who relate with one another, and are aware of other group members (Kamau, 2012). Groups are characterized by frequent discussions and communication among their members they are also influenced by all other group members (Mulabe, 2013). Kamau (2012) acknowledges that rewards are the main focal point of the employees who are working in groups. Teams demonstrate the jointly strength of people and boost the inspiration and morale of person also. Managers view the team's to have a working effort.

Tseng (2010) adds that teamwork is the communal mode of working through the efforts and cooperation of members. Executives of an organization have plans that outline a suitable reward framework for the staff and empower their contribution in group activities. They also set the collective objectives that are

associated in the organization strategic plans, growth of staff execution and reasonable compensation strategies. After execution of rewards framework to employees, managers have the responsibility of setting up their groups. They have also a duty to monitor the cooperation actions so as to check its viability as it is the main focus of each company methodology (Teece, 2000). Quality Circles are an employee involvement and team-building process for improving organizational performance. Quality Circles and the closely related topics of Quality of Work Life and participative management form the leading comprehensive approach to human resource development and group dynamics in today's complex business, industrial, and governmental environments (Chukwedi, 2014).

Chukwedi (2014) added that quality circle is also a group of employees/volunteers who come together with an intention of looking aspect of the work. It's a group of workers up to a maximum of 10 from the same working environment such as a department who meet regularly/weekly/monthly, fortnight with an intension to consider, analyze, and investigate and to solve products and quality problems and working conditions. Studies further recommended teamwork as delicate procedure that should be dealt with cautiously in a steady organizational business environment. Ambula, Awino and Obonyo (2016) argue that viable organizational atmosphere is where staff communicates, participate and work in trustable environment. Teamwork involves forming teams which are expected to work coherently towards the realization of organizational goals (Chukwedi, 2014). Team learning increases the skills of groups of employees to focus on the larger picture and exceed individual views. This research therefore, sought to determine the effect of team learning on performance in banking sector.

II. Methodology

Cross-sectional research design was adopted in this study because it is a survey method that measure units from a sample of the population at only one point in time. Cross-sectional was preferred since it assisted in data collection from different respondents at one point in a given time. The design was appropriate for collecting data from the sampled population with respect to several variables. The design was selected based on the methods used by similar studies that dealt with the organizational learning matters (Sanz-Valle, Naranjo-Valencia, Jimenez-Jimenez, & Perez-Caballero, 2011). In addition, review of literature found that though some research used an empirical approach, they based their data largely on case studies leading to a call for quantitative testing by cross-sectional studies to further rectify and improve this proposed linkage on organizational learning dimensions and performance (Sahaya, 2012).

Therefore, this study design was considered appropriate as a result of its capability to apply both the quantitative and qualitative techniques. This was also meant to answers to the research hypotheses.

The study was conducted in Nakuru and Kisii counties, Kenya. Nakuru County has the highest number of formal sector activities which comprises of key activities such as agriculture which is the most domineering activity followed by trade industry, tourism, energy and mining. According to (KNHP, 2009) Nakuru County has 55.1% of its population in the labour force. It has the highest population due to well developed infrastructures, employment opportunities and security. Majority of the population are on self employment such as wholesale and retail business, informal micro enterprises, hawking and trading in food commodities which maintains the high circulation of money. Nakuru County is the fourth largest County in Kenya with majority of the people who are on middle level of income. Kisii County has the highest number of informal sector activities which results to high circulation of money. The informal activities include Jua kali industry, transport industry especially "BodaBoda", brick making, security services and small scale businesses. According to (KNHP, 2009) Kisii County has 51.6% of the population in the labour force. Majority of the youth are unemployed which has prompted them to form youth groups that link them to the baking institutions for credit facilities. It is known as the Western Kenya's largest open air market with extended catchment to Tanzania and it controls over 60% of the whole Nyanza's money economy.

Target population refers to the group of people to whom the results of a research should apply (Whitley and Kite, 2012). In Kenya, there are 43 registered banks offering financial services (CBK, 2016). Commercial banks are among financial institutions that are approved by the Central Bank of Kenya to offer financial services (CBK, 2016). The study targeted 17 commercial banks operating in Nakuru and Kisii Counties. The researcher focused on the staff working at the Counties. Target population was 776 employees of the commercial banks.

A sample is a subset containing the characteristics of a larger population (Mugenda and Mugenda, 2003). Samples are used in statistical testing when population sizes are too large for the test to include all possible observations. Samples represent the whole population and not reveal bias toward a specific attribute. The sample size of this study was determined using Krejcie and Morgan (1970) formula as shown below:

$$n = \frac{(z^2 Npq)}{(d^2 (N-1) + z^2 pq)}$$

Where n = Desired sample size

Teams are rewarded for their collective achievement	7	3.2%	36	16.5%	0	0.0%	161	73.9%	14	6.4%	100.0%
Members of team learn new skills and knowledge from each other	22	10.1%	7	3.2%	7	3.2%	72	33.0%	110	50.5%	100.0%
Groups adapt their goals in response to emerging needs	0	0.0%	14	6.4%	0	0.0%	125	57.3%	79	36.2%	100.0%
Groups brainstorm and discuss ways of doing things	14	6.4%	0	0.0%	36	16.5%	51	23.4%	117	53.7%	100.0%
Groups resolutions aren't used to improve production and service delivery	0	0.0%	56	25.7%	37	17.0%	90	41.3%	35	16.1%	100.0%
Group work enhances cohesion and shared goals	14	6.4%	29	13.3%	7	3.2%	111	54.1%	50	22.9%	100.0%

Note: SA=Strongly Agree, A=Agree, N=Neutral, D=Disagree, SD=Strongly disagree

Source: Research Data (2019)

Team learning among employees and unified bank information is vital in growth and expansion of banks in Kenya. The study findings sought to determine the effect of team learning dimensions on performance of the banking sector. Table 1 presents the results which revealed that majority of the respondents 139(63.8%) strongly agreed that group work in their organizations was valuable followed by 50 (22.9%) who strongly disagreed then 22(10.1%) who disagreed and 7(3.2%) who agreed. This was supported further by (Samantha, 2012) who stated that teams' empowers individuals to have common goal and also it allow areas of criticisms hence improves standards of organizational performance. This implies that employees working in groups in the organizations achieve more.

Majority of the respondents 160 (73.4%) strongly agreed that members of teams treat each other as equals regardless of position held followed by 21(9.6%) who strongly disagreed then a close tie of 15(6.9%) for those who agreed and disagreed. More than a half of the respondents 161(73.9%) agreed that teams were rewarded for their collective achievement followed by 36(16.5%) who disagreed then 14(6.4%) who strongly agreed and 7(3.2%) who strongly disagreed. This agreed with (Kamau, 2012) findings that the rewards are the main focal point of the employees who are working in groups. Approximately close to half of the respondents 110 (50.5%) rated that they strongly agreed with the fact that members of teams learnt new skills and knowledge from each other followed by 72(33.0%) who agreed then 22(10.1%) who strongly disagreed and a tie of 7(3.2%) for those who strongly disagreed and were undecided.

This means that employees believe that learning with teams or groups' new skills and knowledge are learned from each other hence there is a continuous learning process as asserted by Maani and Benton (1999). The findings indicated that 125(57.3%) of the respondents agreed that groups adapt their goals in response to emerging needs followed by 79(36.2%) who strongly agreed and 14(6.4%) who disagreed. There were 117(53.7%) of the respondents who strongly agreed that groups brainstorm and discuss ways of doing things followed by 51(23.4%) who agreed then 36(16.5%) were undecided and 14(6.4%) who strongly disagreed. Less than half of the respondents 90(41.3%) indicated that they agreed with the fact that groups resolutions are not used to improve production and service delivery followed by 56(25.7%) who disagreed then 37(17.0%) who were undecided and 35(16.1%) who strongly agreed.

Almost half of the respondents 111(54.1%) agreed that group work enhances cohesion and shared goals followed by 50(22.9%) who strongly agreed then 29(13.3%) who disagreed then 14(6.4%) who strongly disagreed and 7(3.2%) who were undecided. Mulabe (2013) affirms that team work is very important in a working set up in that it enhances cohesion among employees.

Apart from the descriptive statistics, the study tested the hypothesis H_{01} : *team learning has no significant effect on performance in the banking institutions in Nakuru and Kisii counties.*

Team learning was measured by groups being valued in the organization, rewarding collecting achievement, teams treating each other equally, groups learning new skills and knowledge, adapting their goals, brainstorming and discussion of issues, resolutions and enhancing cohesion and share goals. Regression analysis was done to determine the relationship between team learning and performance.

Table 2: Model Summary of effect of Team Learning on Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics F Change	df1	df2	Sig. F Change
1	0.504 ^a	0.254	0.251	0.27640	0.254	73.710	1	216	0.000

a. Predictors: (Constant), team learning

b. Dependent Variable: performance factors y

Table 3
ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.631	1	5.631	73.710	0.000 ^b
	Residual	16.502	216	0.076		
	Total	22.133	217			

a. Dependent Variable: performance y

b. Predictors: (Constant), team learning

Table 4
Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.132	0.090		12.629	0.000
	Team learning	0.216	0.025	0.504	8.585	0.000

a. Dependent Variable: performance factors y

Table 2 regression results show that R value was 0.504 indicating that there is a positive relationship between team learning and organizational performance. The R^2 value of 0.254 shows 25.4% of organizational performance is explained by team learning, the remaining 74.6% is explained by other dimensions enhancing organizational performance of the banking institutions in Kenya. Table 3 the model was significant with the F ratio of 73.710 at $p > 0.05$ hence we reject the H_0 (null hypothesis) since team learning dimension have a positive and significant effect on performance of banking institutions. Table 4 the beta value of 1.132 show the degree to which it affects the outcome when all other dimensions are held constant. When team learning is introduced there is an increase of organizational performance of the banking institutions by 21.6%. This was supported by (Zheng, Sharan and Wei, 2010) who indicated that team learning is a way of enhancing their individual efforts with the help of top management and employees. This results to employee's motivation in carrying out their duties and responsibilities which in turn leads to better organizational performance.

IV. Conclusions

The findings indicated that there was a positive relationship between team learning and organizational performance of the banking institutions in Nakuru and Kisii counties. The results further revealed that teamwork is an accurate measure of performance since the regression findings proved that there was a statistically significant effect of teamwork on organizational performance. This implied that teamwork gives employees an opportunity to share ideas in an organization and it is also through teams that individual achieves team objectives. Team learning is important in the banking institutions as these enable employees to have team spirit hence allowing organization as a whole to achieve the set goal.

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