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# Effect of Workplace Environment on the Performance of Commercial Banks Employees in Nakuru Town

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Abstract: The present study aimed to investigate the effect of workplace environment on the performance of Bank employees in Nakuru Town. More specifically, the study sought to establish the extent to which physical workplace factors, psychosocial factors and the work life balance factors affect performance of Bank employees in Nakuru Town. The population of the study was 736 non-managerial staff from which a sample of 173 respondents were drawn from employees' using stratified random sampling with probabilities proportional to the size of the firm was used to allocate samples within the Banks. To achieve the objectives of the study, a survey design was employed. A sample of 173 employees participated in the study as respondents. Descriptive statistics and multiple regression models were used to analyze the data. The study findings showed that the physical aspects were did not have a significant effect on employee performance while the psychosocial and work life balance factors were significant. The results therefore indicated that psychosocial aspects exhibited the strongest association with employee performance while physical aspects and psychosocial aspects were moderate. It is recommended that attention be given to the other influences of workplace life environments consisting the physical and work life balance aspects.

**Keywords:** Performance, Physical environment, Psychosocial environment, Work life balance, Workplace Environment.

## 1. Introduction

## 1.1. Background of the Study

Workplace environment is the sum of the interrelationships that exists within the employees and the environment in which they work (Kohun, 2002). According to Heath (2006), this environment involves the physical location as well as the immediate surroundings, behavioral procedures, policies, rules, culture, resources, working relationships, work location, all of which influence the ways employees perform their work. The quality of the workplace environment impacts on employees' performance and subsequently influences the organization competiveness. An effective workplace environment management entails making work environment attractive, comfortable, satisfactory and motivating to employees so as to give employees a sense of pride and purpose in what they do (Humphries, 2005). Employees will and are always contented when they feel their immediate environment; both physical sensations and emotional states are in tandem with their obligations (Farh, 2012) and how well employees connect with their organization's immediate workplace environment, influences to a great extent their error rate levels, efficiency and innovativeness, collaboration with other employees, absenteeism and, ultimately their retention (Leblebici, 2012)

The type of workplace environment in which employees operate determines whether or not such organizations' will prosper (Chandrasekhar, 2011). Physical workplace environment contextualizes the office layout and design while psychosocial factors include working condition, role congruity and social support from supervisors. Policies encompass employment conditions of employees derived from industrial instruments and agreements negotiated with employees and unions, along with our

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human resources policies. Employees spend fifty percent of their lives within indoor environments, which greatly influence their performance capabilities (Sundstrom, 1994). Better physical workplace environment will boosts employees' performance and ultimately improve their productivity (Challenger, 2000).

A healthy workplace environment makes good business sense and is characterised by respect that supports employee engagement and creates a high performance culture that encourages innovation and creativity (Kohun, 2002). Organisations deemed as a positive place to work will more likely have a competitive edge since they are in a better position to attract and retain highly skilled employees'. This is a significant consideration in the current tight labour market. A positive workplace environment is likely to result in less employee turnover, fewer cases of fraud, better safety practices, easier to attract and retain qualified employees and improved employees' wellbeing (Cunnen, 2006). In almost all high performing banks, one massage holds true above them all "People are an organization's most important asset (O'Neill, 2007).

Employee performance is the combined result of effort, ability, and perception of tasks (Platt, 2010). Employees' performance is imperative for organizational outcomes and success. Many factors influence employee performance; and workplace environment factors stands out as the key determinants of performance. It is the key multi character factor intended to attain outcomes and has a major connection with planned objectives of the organization (Sabir et al. 2012). Favourable workplace environment guarantees the wellbeing of employees as well as enables them to exert themselves to their roles with all energy that may translate to higher performance (Taiwo, 2010).

The banking sector in Kenya is characterized by high competition (Banking survey, 2014) owing to among others, the lifting of exchange controls in 1995 which led to the liberalization of the sector. Following the liberalization of the sector, almost all banks registered in Kenya have opened branches in Nakuru town. There are currently 45 licensed commercial banks in Kenya of which 35 are locally owned and 10 are foreign owned. Nakuru Town hosts a total of 25 banks (Banking survey, 2014).

To survive and grow, the bank institutions have to embrace strategies of keeping the quality of the workplace high as a competitive strategy. Since bank employees are the key resource and greatest expense of any bank, the long-term benefits of a properly designed and user-friendly workplace environment should be factored into any initial cost considerations (Smith, 2011). To continuously improve workplace conditions, special attention to a performance culture that values every single employee and promotes a sustainable work-life balance should be embraced (World at work, 2007). Banks therefore have to create a workplace environment where their employees take pleasure in their work, believe their output is appreciated and rewarded appropriately enabling them to reach their potential.

#### 1.2. Statement of the Problem

Creating a work environment which promotes wellbeing of employees and increase individual performance is viewed as a strategy for enhancing company efficiency and productivity. Employee's normally have expectation and will demand a workplace environment that facilitates them to perform their work optimally. When this is sufficiently provided, it can boost organizational competitiveness (Heath, 2006).

Bank institutions make significant investments in designing, building and ultimately recruiting knowledgeable personnel. The Banks immediate work environment in terms of actual physical layout and design of an office is extremely important when it comes to maximizing individual performance. Poorly designed workstations, unsuitable furniture, lack of ventilation, inappropriate lighting and excessive noise adversely affect employee performance (Becker, 2002).

In addition, incongruent psychosocial factors i.e. the non-physical aspects of a workplace, such as working conditions, social support from supervisor and role incongruity also impacts negatively on employees' performance. The organization of work-life is also now a major consideration in Banks as they attempt to spur exceptionally high performance (Smith, 2010).

To institutionalize the right practices in work-life balance, the right policies and programs have to be put in place. Inadvertently, an imbalance between workplace environment factors and employees needs, abilities and expectations, is being manifested in different banks, prompting diverse reactions.

It has been noticed that many enterprises including banks fix their persuasion to employee productivity enhancement to the acquisition of skills while research has shown that about 86% of productivity problems reside in the work environment of organizations (Taiwo, 2010). This is the same situation in the commercial banks work environment in Kenya. This notwithstanding, the Commercial Banks in Kenya are experiencing high labour turnover, absenteeism and huge losses caused by employee negligence due to workplace environment conditions (Banking survey, 2004). This indicates that perhaps other work environment factors are responsible and need to be studied to establish how they influence employee performance.

The dimensions of physical, psychosocial and work life balance are still unclear in respect of how they affect performance in the banking sector. The studies that have looked at this phenomenon in the Banks have limited themselves to financial performance without paying attention to the workplace environment and especially from an employees' perspective (Global workforce study, 2012).

Nakuru Town has positioned itself as one of Kenya's most important business hub and it is recorded that it is third fast growing town in Africa (UN habitant, 2014). Commercial Banks in this town play a very critical role in the economic development of the county and the country at large and this call for a thorough investigation in order to understand how workplace environment factors influence performance of employees in this sector. This study therefore sought to answer the question - how do physical workplace; psychosocial workplace work life balance factors affect performance of employees in the commercial banks in Nakuru Town?

## 1.3. Objectives of the Study

The general objective of this study was to investigate the effect of Workplace Environment on the Performance of Commercial Banks Employees in Nakuru Town. The specific objectives were:

- To assess the effect of physical workplace factors on performance of Bank employees.
- To examine the effect of psychosocial workplace factors on the performance of Bank employees.
- To analyse the effect of work life balance factors on performance of Bank employees

## 1.4. Research Hypotheses

This paper focused on addressing the following three research hypotheses

Ho<sub>1</sub>: Physical workplace factors have no significant effect on performance of bank employees.

Ho<sub>2</sub>: Psychosocial workplace factors have no significant effect on Bank employees' performance.

Ho<sub>3</sub>: Work life balance factors have no significant effect on performance of Bank employees'.

#### 2. LITERATURE REVIEW

### 2.1. Workplace Environment

To understand the critical importance of workplace environment in the organization is to recognize that the human factor and the organization are synonymous (McGuire, 2009). Changing environments provide commercial banks with opportunities as well as a myriad of challenges. One aspect of the competitive challenges faced by banks lies in the management and integration of physical and psychosocial environments (Altman,2000). By incorporating a balanced workplace environment, the organisation is optimising profitability and improving the company's popularity as a workplace; projecting a modern corporate entity, which in turn can help you attract highly qualified employees. Architectural design affects the way people behave, with designers creating conditions that can hinder, discourage, guide, support or enhance users' behaviour (Gutnick, 2007). Most banks are beginning to reconsider how their work environment is designed and what facilities they offer to staff has far-reaching effects on their general performance. An enabling workplace environment must thus be the key feature to improving performance and subsequently sustained returns (Abdulla, 2010).

Workplace environment is a concept, which has been operationalized by analyzing the extent to which employees perceive the immediate surroundings' as fulfilling their intrinsic, extrinsic and social needs and their reason of staying with the organization (Haynes, 2008). He further adds that environment is a key determinant of the quality of their work and their level of performance. Heath (2006) states, the biggest goal of all the business organization are to increase their performance, thus making high profits.

The benefits of creating and maintaining a positive working environment are huge. Greater productivity, happier people, employee stability, business advantage, higher profits, greater security, and better health (Shrestha, 2007). Improving working environment results in decrease in the number of error rates, complaints, absenteeism and hence increases performance. Govindarajulu (2004) also highlighted that in twenty-first century, businesses are moving towards more strategic approach of environmental management to enhance their performance through improving and managing performance level of employees.

The modern physical environment is distinguished by technology, computers, machines, general furniture and furnishings which continually affect the brain and health of employees (Stoessel, 2001). Organisations must ensure that the physical layout is covering all need of employees such as communication and privacy, formality and informality, functionality and cross-disciplinarily (White, 2001).

## 2.2. Physical Factors of the Workplace Environment

The ability of the physical workplace environment to influence behaviours and to create an image is particularly apparent for service businesses such as banks. The physical environment includes components of the tangible workplace environment that comprise spatial layout and functionality of the surroundings (Kohun, 2002). Spatial layout refers to the ways in which machinery, equipment, and furnishings are arranged, the size and shape of those items, and the spatial relationships among them. The spatial layout of furniture was found to influence the amount and nature of conversation between individuals (Becker, 2002). Functionality refers to the ability of the same items to facilitate performance and the accomplishment of goals. How performance is achieved will be affected by how well people fit with their physical workspace and physical work environment (Srivastava, 2008).

In a broader perspective, the physical workplace environment; include but not limited to the comfort level, ventilation, heating, natural lighting and artificial lighting. According to Temessek, (2009) the above features assist on the functional and aesthetic side, the décor, and design of the workplace environment that ultimately helps improve the employees experience and necessitate better performance. He emphasises that banking services "must insist on the utility and the role of environmental information, facilitating employees' engagement with better space management, and the automation of certain tasks". Similarly, if the tasks to be performed are very complex, efficiency of layout and functionality will be more important than when the tasks are mundane or simple.

Office layout and design impressions suggest that certain dimension serves a symbolic function by connoting meanings and images about organizations and further how their employees are to be engaged (Challenger, 2000). Based on these affordances, it is suggested that employees will tend to identify more with these features which enhance performance. Informal seating arrangements, such as chairs placed at a right angle facilitate social interaction, where as formal seating arrangements, such as chairs placed back-to-back discourage social interaction (Doman, 2008). This also helps explain how style of furnishings and other physical symbols may come to serve a symbolic function.

## 2.3. Psychosocial Factors Affecting Employees' Performance

The psychosocial factor of work environment is generally considered to be one of the most important issues in contemporary and future societies. They refer to the interactions between the environment and working conditions, organizational conditions, functions and content of the work, effort, workers' individual characteristics and those of members of their families (Vischer, 2008). Therefore, the nature of the psychosocial factors is complex, covering issues relating to the workers, general environment and work. Noe (2008) define employee workplace welfare in terms of six key areas: a manageable workload; some personal control over the job; support from colleagues and supervisors; positive relationships at work; a reasonably clear role; and a sense of control or involvement in changes at the workplace. Individual association with the working environment are important as they impact upon the ability of the individual to take control of their work and the level of stress they experience within the workplace (Warr, 2002). The behavioural factors that may affect the performance of bank employees at work place are the exclusive nature and function of job satisfaction change, or systematic development or weakening in job satisfaction over spell (Warr, 2002). There are lots of other aspects that may enhance or lower the employees' performance some of which include role congruity, supervisor support and leadership styles in banks rank among the factors that may individually and collectively effect on the performance of employees.

#### 2.4. Work Life Balance

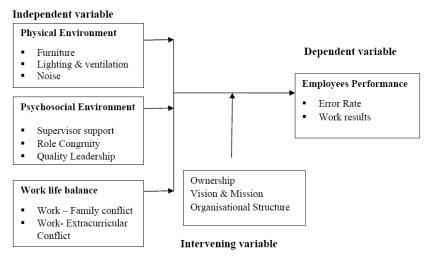
Work-life balance is a combination of interactions among different areas of one's employed life, the pro and cons associated with the balance or imbalance can affect various levels of employees required roles. Work-life balance is defined as "people spending sufficient time at their jobs while also spending adequate time on other pursuits, such as family, friends, and hobbies" (Smith, 2010). It is a reflection of the needs for all employees to balance their work lives with their lives off the job, regardless of whether or not they have day-to-day family responsibilities (Galinsky, Bond & Friedman, 1996).

Work-life balance has been defined by one researcher as satisfaction and good functioning at work and at home with a minimum of role conflict (Clark, 2001), and by another as the degree to which an individual is able to simultaneously balance the temporal, emotional, and behavioural demands of both paid and family responsibilities (Hill, Hawkins, Ferris, & Weitzman, 2001). The two measurable aspects of balance between work and family roles in this study are work life conflict and extracurricular conflicts.

The inability of employees to achieve balance between the work and home domains can have negative consequences for both the individual and the organisation (Allan, Loudoun, & Peetz, 2007). Tausig and Fenwick (2001) measured perceived work-life balance using two items: the extent to which workers feel successful in balancing work and personal life, and the amount of conflict they face in balancing work and personal life. In response to this concern, an increasing number of banks now offer extensive work-life benefit programs for their employees. Work-life programs most commonly include factors such as flexible hours and part-time work.

### 2.5. Conceptual Framework

The conceptual framework illustrates the relationship between the dependent and independent variables. The independent variables are the physical factors, psychosocial factors and work life balance factors. These variables are expected to influence the dependent variables being employee performance in Commercial Bank in Nakuru Town.



Source: Researcher, 2014

### 3. RESEARCH METHODOLOGY

## 3.1. Research Design

The study adopted a descriptive survey design in examining the effects of workplace environment on Bank employee performance in Nakuru Town. The descriptive survey design method was useful in exploring how workplace environment affect performance in the study area. It is an efficient approach of collecting data regarding characteristic of sample of a population, current practices, conditions or needs (Chandran, 2004).

### 3.2. Target Population

Population refers to the entire group of people, events, or things of interest that the researcher wishes to investigate (Babbie, 2002). The research targeted non-managerial employees from the entire 25 Bank in Nakuru town which hosts a population of 736 Bank employees as shown in table 3.1.

Table1. Sample size

Banks	Population	Sample
African Banking Corporation Limited	16	4
Bank of Africa Kenya Ltd	10	2
Bank of Baroda (K) Ltd	8	2
Barclays Bank of Kenya Ltd	82	19
CFC Bank Ltd	10	2
Chase Bank	15	3
Co-operative Bank of Kenya Ltd	74	17
Commercial Bank of Africa Ltd	14	3
Consolidated Bank of Kenya	9	2
Credit bank	12	3
Diamond Trust Bank Ltd	14	3
Dubai Bank Kenya Ltd	15	3
Eco Bank	11	3
Equity Bank	140	33
Family Bank Ltd	62	15
First Community Bank	15	3
Guarantee Trust Bank Ltd	12	3
Investment & Mortgage Bank	8	2
K-Rep Bank Ltd	17	4
Kenya Commercial Bank Limited	100	24
National Bank of Kenya Ltd	35	8
NIC Bank Ltd	14	3
Oriental bank	11	3
Standard Chartered Bank (K) Ltd	20	5
Trans-National Bank Ltd	12	3
Total	736	173

Source: Researcher, 2014

## 3.3. Sampling Procedure and Sample Size

Sampling is taking any portion of a population or universe as representative of that population (Kerlinger, 1983). The researcher used convenient sampling to test the data. The sample size was calculated using the formula propounded by Nassiuma, (2000).

#### 3.4. Data Collection Instruments and Procedure

The researcher used questionnaires to collect data. The researcher used a drop and pick later method in the administration of the questionnaire. To ensure the questionnaire yield consistent results, a pilot testing was carried out. Pretesting was done on employees from other financial institutions in Nairobi City that has not been included in the sample of the study in order to ensure enough precision. This ensured that the measure actually measures what is claimed.

### 3.5. Validity and Reliability of Research Instrument

Validity is the degree to which data in a research is accurate and credible while reliability is the degree to which an instrument will produce similar results at different periods (Gray, 2004). The researcher used Cronbach's alpha since it is a coefficient of internal consistency commonly used as an estimate of the reliability. A reliability coefficient of 0.7 or over was assumed to reflect the internal reliability of the instruments. The instruments gave a Cronbach's coefficient alpha value of 0.7227 implying it was above the recommended value and therefore suitable for administration.

### 3.6. Data Analysis Method

Descriptive and inferential statistics were employed to enable the researcher describe and examine the relationship between variables. Descriptive statistics involved the use of frequencies and percentages and a chi-square test. Descriptive statistics results were presented using tables. Pearson's Correlation was used to show the relationship between workplace environments while regression analysis was used to determine to what degree the independent variables (physical, psychosocial and work life balance) can explain a change in employees' performance.

### 4. RESULTS AND DISCUSSIONS

#### 4.1. Physical Aspects

The results in table 2 indicate that the respondents strongly agreed ( $\chi^2 = 130$ , P $\leq 0.001$ ) that furniture used was comfortable, flexible, and easy to adjust and rearrange. Gutnick, (2007) highlighted that furniture that is comfortable and equipment that works are key to employee's performance. However majority of the respondents disagreed strongly ( $\chi^2 = 64.3$ , P $\le 0.001$ ) that their office place was devoid of unnecessary noise. This meant that most of the commercial bank employees are exposed to noise due to close proximity to the road. However, researchers have identified that noise in the workplace, predominantly from others talking, is cited as being distracting by over 75% of workplace users (Sundstrom, 1994). The findings also show that 93.7% of the respondents agree strongly ( $\chi^2 = 172$ , P≤0.001) that their workplace is sufficient and roomy enough. This is in agreement with (Gutnick, 2007), on Working spaces that are too open can affect our ability to focus and get work done whilst spaces that are too compartmented isolate co-workers. The workplace was well illuminated since (97.1%) was the response rate showing most of the banks were sufficiently lit ( $\chi^2 = 136$ , P $\leq 0.001$ ). The findings also show that respondents agreed ( $\chi^2 = 132$ , P $\le 0.001$ ) that temperature in the bank were appropriate. This indicates that Temperature has an influence on office work (Seppanen, 2006). In consideration of the above outcomes, there is high likelihood that physical environments spur employees' performance.

Table 2. Physical Workplace Aspects

Statements	SA	A	N	D	SD	$\chi^2$	<b>P</b> -Value
	Freq (%)						
The furniture I use is comfortable, flexible to adjust, easy to rearrange or reorganize	77(54.2)	61(43.0)	2(1.4)	2(1.4)		130.056	0.0001
The office is devoid of unnecessary noise	36(25.4)	41(28.9)	5(3.5)	7(4.9)	53(37.3)	64.338	0.0001
The working space area is sufficient and roomy enough	70(49.3	63(44.4)	1(0.7)	7(4.9)	1(0.7)	172.085	0.0001
The room or office I operate from is well illuminated	82(57.7)	56(39.4)	1(0.7)	3(2.1)		136.028	0.0001
The temperatures in the room or office I operate from is appropriate	79(55.6)	59(41.5)	1(0.7)	3(2.1)		132.141	0.0001

Source: Researcher, 2014

# 4.2. Psychosocial Workplace Aspects

The results in table 3 suggests that the respondents agreed ( $\chi^2$  =112, P≤0.001) that they met with their supervisors for personal development while other respondents agreed ( $\chi^2$  =70, P≤0.001) that their supervisors respects the co-workers opinion. this indicates that supervisor' interpersonal role is important since it encourages positive relations and increases self-confidence of the employees and in return improves performance (Arnold, 2007). The roles and responsibilities on the respondents had an agreed ( $\chi^2$  =153, P≤0.001). The findings also show that respondents agreed ( $\chi^2$  =90, P≤0.001) that their jobs require them to perform wide range of task. This means that the respondents had their roles and responsibilities clearly stated for performance of everyday tasks; and that job description helps to ensure effective performance and provides a clear guide to all that are involved about the position, its requirements and expected outcomes (Gomes, 2010). On the aspect of managers informing employees about important decisions, the respondents agreed ( $\chi^2$  =86, P≤0.001). The findings also show that respondents agreed ( $\chi^2$  =102, P≤0.001) that they can rely on their supervisors to help them out with work problem. In consideration of the above outcomes, there is high likelihood that psychosocial aspects help boost employees' performance in commercial banks in Nakuru Town.

Table3. Psychosocial Workplace Aspects

Statements	SA	A	N	D	SD	$\chi^2$	P-Value
	Freq(%)	Freq(%)	Freq(%)	Freq(%)	Freq(%)		
I frequently meet with my	30(21.1)	76(53.5)	17(12	16(11.3)	3(2.1)	112.577	0.0001
supervisor about my personal							
development							
My supervisor respects the co-	33(23.2)	76(53.5)	25(17.6)	8(5.6)		70.789	0.0001
worker's opinions							
My roles & responsibilities are	66(46.5)	63(44.4)	3(2.1)	8(5.6)	2(1.4)	153.845	0.0001
clearly stated							
My job requires the	88(62.0)	47(33.1)	4(2.8)	1(0.7)	2(1.4)	90.197	0.0001
performance of a wide range of							
tasks							
Managers inform employees	38(26.8)	66(46.5)	18(12.7)	19(13.4)	1(0.7)	86.38	0.0001
about important decisions,							
changes, or plans for the future							
I can rely on my	38(26.8)	70(49.3)	11(7.7)	22(15.5)	1(0.7)	102.718	0.0001
supervisor/line manager to help							
me out with a work problem							

Source: Researcher, 2014

#### 4.3. Work Life Balance

The results in table 4 suggests that the respondents agreed ( $\chi^2$  =93, P≤0.001) to making changes to their family plans. This means that the respondents had been compelled to make constant changes to their family activities due to work related duties. More so the respondents agreed ( $\chi^2$  =39, P≤0.001) that the demands of their work interfere with family and home life. In addition, the respondents agreed ( $\chi^2$  =49, P≤0.001) that the amount of time their jobs takes makes them difficult to fulfill family responsibilities while others agreed ( $\chi^2$  =35, P≤0.001) that the job produces strain that makes it difficult to fulfill family duties. The responses thus concur with Allan, Loudoun, & Peetz, (2007) that the inability of employees to achieve balance between the work and home domains can have negative consequences for both the individual and the organisation. In consideration of the above features, there is high likelihood that work-family conflicts aspects affect employees' performance in Commercial Banks in Nakuru Town.

Table4. Work - Family Conflict

Statements	SA	A	N	D	SD	$\chi^2$	P-Value
	Freq(%)	Freq(%)	Freq(%)	Freq(%)	Freq(%)		
Due to work-related duties, I	37(26.1)	68(47.9)	4(2.8)	25(17.6)	8(5.6)	93.845	0.0001
keep on making changes to							
my plans for family activities							
The demands of my work	22(15.5)	51(35.9)	14(9.9)	41(28.9)	14(9.9)	39.62	0.0001
interfere with my home and							
family life							
The amount of time my job	20(14.1)	50(35.2)	14(9.9)	47(33.1)	11(7.7)	49.056	0.0001
takes up makes it difficult to							
fulfill family responsibilities							
My job produces strain that	13(9.2)	45(31.7)	14(9.9)	25(17.6)	25(17.6)	35.465	0.0001
makes it difficult to fulfill							
family duties							

Source: Researcher, 2014

#### 4.3.1. Work- Extracurricular Conflicts

The results in table 5 suggests respondents agreed ( $\chi^2$  =68, P≤0.001) that the amount of time their job takes up makes it difficult to fulfill extracurricular responsibilities, while other disagreed ( $\chi^2$  =62, P≤0.001) that their job produces strain that makes it difficult to fulfill their extracurricular

activities. It has been shown that work-family conflict can influence employees to consider leaving their organizations (Anderson, Coffey & Byerly, 2002). Meanwhile some of the respondents agreed ( $\chi^2$  =64, P≤0.001) that work-related duties, force them to make changes to their plans for extracurricular activities while other respondents agreed ( $\chi^2$  =65, P≤0.001) that demands of their work interfere with their extracurricular activities. Anafarta, (2011) highlights that Work-to-family conflict is when work interferes with family and family-to-work conflict is when family interferes with work. Recent studies by Deming (2000), found that 32% of employees report work-family balance as their leading job concern. They cite the interrole conflict as the major impediment to sustained performance. In consideration of the above features, there is high likelihood that work-extracurricular aspects impact the performance of Commercial Banks employees' in Nakuru Town.

**Table5.** Work- Extracurricular conflicts

Statements	SA	A	N	D	SD	$\chi^2$	P-Value
	Freq(%)	Freq (%)	Freq(%)	Freq (%)	Freq (%)		
The amount of time my job takes up makes it difficult to fulfill extracurricular	33(23.2)	56(39.4)	6(4.2)	41(28.9)	6(4.2)	68.493	0.0001
responsibilities  My job produces strain that makes it difficult to fulfill my extracurricular activities	19(13.4)	48(33.8)	9(6.3)	54(38.0)	12(8.5)	62.437	0.0001
Due to work-related duties, I have to make changes to my plans for extracurricular activities.	35(24.6)	58(40.8)	9(6.3)	34(23.9)	6(4.2)	64.408	0.0001
The demands of my work interfere with my extracurricular activities	22(15.5)	55(38.7)	6(4.2)	47(33.1)	12(8.5)	65.676	0.0001

Source: Researcher, 2014

#### 4.4. Correlation Results

From the correlation results, it was found that the physical workplace environment has a significant positive effect on employee performance in the commercial banks in Nakuru town(r = 0.224,  $\alpha = 0.01$ ) this shows that there is a significant relationship existing between the workplace environment and performance thus providing the grounds of the null hypothesis.

The study also determined whether psychosocial aspects had any significant effects on the performance of commercial bank employees. The correlation results indicated a negative significant relationship (r = 0.353,  $\alpha = 0.01$ ) and that led to a rejection of the null hypothesis.

**Table6.** Summary of Correlations

		Physical workplace	Psychosocial workplace	Work Life Balance	Employees performance
Physical Workplace	Pearson Correlation	1			
	P-Value	0.001			
Psychosocial Workplace	Pearson Correlation	.293**	1		
	P-Value	0.000			
Work Life Balance	Pearson Correlation	219**	223**	1	
	P-Value	0.009	0.008		
Employees Performance	Pearson Correlation	0.224**	.353**	287**	1
	P-Value	0.07	0.00	0.000	

\*\*Correlation is significant at the 0.01 level (2-tailed).

Source: Researcher, 2014

Finally the study also sought to determine whether work-life balance had a significant effect on the performance of commercial bank employees in Nakuru town and found a positive significance (r = -.287,  $\alpha = 0.01$ ). This led to rejection of the null hypothesis.

The results (as shown in table 6) therefore indicated that psychosocial aspects exhibited the strongest association with employee performance while physical aspects and psychosocial aspects were moderate.

#### 4.4.1. Multiple Regression

Table 7 shows the adjusted r square value of,  $r^2 = .284$  indicates that when all the variables are combined, the multiple linear regression model could explain for approximately 28% of the variation in employee performance of the Commercial Banks.

**Table7.** Multiple Linear Regression Analysis Model Summary

Model	R	R Squared	Adjusted R Square	Std of Error Estimate
1	$0.547^{\alpha}$	0.299	0.284	0.91487

a. Predictor: Employees performance

b. Predictor: (constant) Physical environment, psychosocial aspects, work life balance

Source: Researcher, 2014

Table 8 shows the prediction equation being performance = 1.659 + 0.097 (Physical aspects) + 0.279(psychosocial aspect) + -.203(work life balance) telling you that Physical aspect is predicted to increase by 1.659 when the performance variable goes up by one, increase psychosocial aspect by 0.279 when performance goes up by one, and work life balance is predicted to decrease by -.203 when both performance is zero. The standard error (0.242), being an estimate of the standard deviation of the coefficient, is a random variable with a mean of zero and which captured the variables that could not be quantified. If a coefficient is large compared to its standard error, then it is probably different from 0.

**Table8.** Anova Model

Source Of Difference	Sum Of Squares	df	Mean Square	$\mathbf{F_0}$	Sig
Between Groups	8.111	3	2.7923	10	.000
Within Groups	37.306	138	0.270		
Total	45.415	141			

Source: Researcher, 2014

**Table9.** Multiple linear regression results

	Unstandardized		Standardized	+	Sig	Collinearity	
	Coefficients		coefficients	ı	Sig	statisti	cs
	В	Std Error	Beta			Tolerance	VIF
(Constant)	1.659	0.242		6.85	0		
Physical Aspects	0.83	0.07	0.097	1.189	0.237	0.889	1.124
<b>Psychosocial Aspects</b>	0.22	0.065	0.279	3.41	0.001	0.888	1.126
Work Life Balance	-0.128	0.05	-0.203	-2.532	0.012	0.924	1.082

a. Dependent variable: Employees, Performance of Commercial Banks

Source: Researcher, 2014

## 4.5. Hypotheses Testing

In this section, the specific objective to the research is highlighted, hypotheses are tested and implications discussed.

4.5.1.Ho<sub>1</sub>: Physical Workplace Factors have No Significant Effect on Performance of Bank Employees

Regression results showed that the physical workplace factors does not significantly influence employees' performance ( $\beta$  =0.097; p value = 0.237 and t value 1.189) and thus the null hypothesis was not rejected. The implication of this is that physical workplace environment did not influence behaviours and subsequently performance. This further means inclusion of ergonomic features in

furniture's; adequate lighting and ventilation facilities and workspace availability were not quite a significant factor on the performance of the commercial bank employees.

4.5.2. Ho<sub>2</sub>: Psychosocial Workplace Factors have No Significant Effect on Bank Employees' Performance

Regression results showed that the psychosocial workplace factors significantly influenced employees' performance ( $\beta = 0.279$ ; p value = 0.001 and t value =3.41) and thus the null hypothesis was rejected. The implication of this is that there should be high quality leadership, effective supervision and role congruity in the work operations to enhance and sustain performance. Ignoring these psychosocial workplace factors would compromise leadership and direction, feedback and may end up in mediocre output among commercial bank employees.

4.5.3. Ho<sub>3</sub>: Work Life Balance Factors have No Significant Effect on Performance of Bank Employees'

Regression results showed that the work life balance factors significantly influenced employees' performance and ( $\beta$  = -0.203; p value = 0.012 and t value = -2.532) and thus the null hypothesis was rejected. The implication of this is that work/family and work- extracurricular activities must be strategically integrated into the work place environments to boost performance in the employees. Ignoring these factors will lead to a broad emotional and behavioural deficiency thus affecting the general performance of the employees.

#### 5. CONCLUSION

Performance among Commercial Bank employees is influenced by various aspects. The study findings have revealed that psychosocial aspects were an important factor in boosting the performance of employees while compared to other two variables; (Physical aspects and work life balance aspects), in Commercial Banks in Nakuru Town. In particular the role of supervision had a strong influence on performance of the Commercial Bank employees in Nakuru town. Many factors affect employee performance that managers/supervisors need to be aware of and should work to improve at all times. It was determined that the employees understood their roles and responsibilities and were performing a wide range of activities to fulfill various obligations expected of them. Hence, based on these findings, the study concludes that all of them were important variables in the study beginning with the most crucial which in this case was psychosocial aspects.

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