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INFLUENCE OF WELLNESS PROGRAMS ON PERFORMANCE OF THE BANKING INDUSTRY IN KENYA

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ABSTRACT

As employees increasingly find themselves in the midst of work-family conflict due to the emerging work demands, the effect of these conflicts may affect employee commitment decisions which in turn may affect organizational performance depending on the manager's role in supporting the employee to attain a balance. Due to simultaneously long and unprecedented working hours and upward trend of non-standard work schedules such as working in the evenings at night or weekend as a spread of a more globalized 24/7 economy, this has also put considerable strain on workers. Notably satisfaction and customer service being the prime work in the banking sector has evoked changes which consequently have brought changes in work setups. The study objective was to establish the influence of wellness programs on performance of the banking industry in Kenya. This study adopted survey research design using both quantitative and qualitative approaches. The target population was 36,212 employees from all 43 commercial banks in Kenya focusing on branches in Nairobi. Primary data was collected using questionnaire that had both structured and unstructured questions. The researcher also used descriptive statistics including frequency distribution tables, percentages and measures of central tendency such as mean. In addition to this, advanced statistical techniques were also considered particularly measures of variations such as standard deviation and others like regression analysis to establish relationships among variables. The study found that wellness programs were strongly related to performance of the banking industry. This was through preventive care, education and training on importance of wellness on employees as well as through supportive manager. The study recommends that organizations should focus on the use of wellness programs practices as they are necessary to ensure that employees support their objectives.

Keywords: *Influence, Wellness Programs, Organizational Performance, Banking Industry*

INTRODUCTION

The ultimate performance of organizations depends on the performance of its employees which in turn depends on numerous factors. Wellness programs are programs intended to promote or improve the health or fitness of any person which may include health screenings, fitness programs and preventative care. Wellness programs which enhance efficiency and thus productivity of an employee increase satisfaction or dissatisfaction of workers which in the long run affects the performance of an organization. In this case therefore corporate organizations need to ensure wellness programs practices are incorporated in the policies of the organization to realize increased organizational performance. Bardeol & De Cieri (2006) notes there is been little serious analysis of work life needs and approaches to policies, practices in the context of multinational enterprises and a global workforce.

Workplace wellness emerged during the 1990's as a major concern for employers, especially in the U.S., marking an

evolution away from the traditional occupational health and safety focus on injury and disease prevention. Programs designed to promote employee health and well-being is now found in an estimated 80 to 90 percent of medium and large size U.S. workplaces (Aldana, 2001). The motivation for most employers is to bring down or contain the rising cost of health benefits, with the alternative being cutbacks in benefits coverage. Some firms also view these programs as contributing to a culture that is supportive of employees. Less often, the main objective is to boost productivity (Powell 1999; Leonard 2001).

Taylor and Don, (2010) see wellness programs as a way of promoting maintenance of good health rather than correction of poor health. They include fitness programs, recreational opportunities, social activities and intellectual and spiritual development programs which in turn impact on company bottomline where the employees' well-being is seen to greatly affect overall productivity (Naydeck & Pearson, 2009).

Himmel, Thorne, Warren & Woolhandler (2009) argue that by developing new and integrated concept of well-being at workplace can be particularly important since many of the concepts have fields e.g. occupational health services, occupational safety and organizational consultancy and since they have been brought from outside of the companies, they have mostly remained fragmented and isolated actions which have no real link to daily activities of various work places (Mar Collin & Abraham 2012). Miller and Harlem, (2009) indicate that worksite fitness programs are important for the organization as it lowers employees' absenteeism and job turnovers, Findings by Kamau, Tuwai & Kuria (2015) on corporate wellness in commercial banks in Kenya shows strong relationship between physical wellness and employee's performance.

In many African, Asian, Latin American countries incidences of informal employment is growing and the current crisis is accentuating. Simultaneously long or unprecedented working hours and upward trend of nonstandard work schedules e.g. in the evenings at night or weekend as a spread of a more globalized 24/7 economy has also put considerable strain on workers and their families. In some instances, parents are working 24-hour shifts one on a child duty while the other works. While this may permit families to make ends meet, it has a negative effect on workers wellbeing. In middle and low income countries, family responsibilities appear to constitute a barrier to women's employment and to good quality jobs.

Employees in these Kenyan banks need to play a great role of delivering quality services and creating a pool of satisfied customers. Despite their key role, there persist work life policies and challenges in the implementation of existing policies (Aycañ & Eskin, 2004; Hyman & Summers, 2004). Long hours working culture is common among many institutions and in such circumstances employees are more likely to experience work-family conflict hence this affects organizational performance. There is tremendous increase in the provisions of banking services to low income households and micro and small enterprises (MSE's) in the country but despite these developments, the banking sector has encountered numerous challenges associated with the human resource practices in Kenya.

Statement of the Problem

The fast pace of economic development in the 20th century across the globe has created new endeavors for the organizations. Globalization has changed the world into a global village where this change has pushed the organizations like the banking sector to strive hard to gain and sustain their competitive advantage. Customer satisfaction and customer service being the prime work in the banking sector has evoked changes which consequently have brought changes in work setups (Korir, 2015). For example employees in the banking sector in Kenya are more involved in their jobs, working longer hours more than 48 hours (ILO, 2010) hence making it difficult for employees to keep a balance between job, family and other personal issues (Muhammadi et al., 2009). Hence this has resulted in work life conflicts which has been found to be associated with mental health issues like stress and depression (Beck & Davis, 2004) which in the long run affects performance of the organization

International labour organizations global report on wellness programs of 2010 rates Kenya among those with the highest prevalence of long working hours more than 48 hours per week (ILO, 2010). Moreover, the banking sector in Kenya is said to be the most affected by work life imbalances ranking 3 in a list of 24 industries (ILO, 2010) raising concerns from key stakeholders in the country because of work life conflict and life work conflicts. Research has shown that WLB is associated with reduced levels of stress and somatic complaints, increased job satisfaction and reduced labor turnover as well as organizational performance (Rathi & Barath, 2013). There is need for more Research on wellness programs as a way of improving performance among commercial banks in Kenya (Kamau, Tuwai, & Kuria, 2015).

Research Objective

To establish the influence of wellness programs on performance of the banking industry in Kenya.

Hypothesis

H₀₁ There is no significant influence of wellness programs on performance of the banking industry in Kenya

Scope of the Study

The study covered all the 43 banks registered by Central Bank of Kenya focusing on branches in Nairobi. Specifically, the study sought to determine the influence of wellness programs on performance of the banking industry in Kenya.

LITERATURE REVIEW

Work/Family Border Theory

This study was guided by work family border theory according to Clark's (2000). The theory aims at explaining how individuals manage and negotiate the work and family spheres and the borders between them in order to attain balance. The concept of "work" and family constituting different domain or spheres which influence each other is central to the model. Clark defines balance as satisfaction and good functioning at work and at home with a minimum role conflict, stating that although many aspects of work and home are difficult, to alter, individuals can shape to some degree the nature of the work and home domains and the borders and bridges between them in order to create a desired balance'. The theory aims at explaining how individuals manage and negotiate the work and family spheres and the borders between them in order to attain balance. The concept of "work" and family constituting different domain or spheres which influence each other is central to the model. The theory states that each person's role takes place within a specific domain of life, and these domains are separated by borders that may be physical, temporal, or psychological. The theory addresses the issue of "crossing borders" between domains of life, especially the domains of home and work. Hence, this theory

shows that there should be a proper balance between work and non-work activities like social life, family life, health and so on.

Whilst this theory allows for individuals to attach different values to the domain of work and family, it appears to be largely focused on the needs of parents, care givers. Failing to take account of importance attached to other domains such as leisure, sport for wellness and socializing of which again this study sought to find their influence on performance.

Empirical Review Wellness Programs

A study by Kamau, Tuwai, & Kuria (2015) assessed the effects of corporate wellbeing practices on employee's performance in commercial banks in Kenya. The aspects covered were financial wellness, environmental wellness, physical wellness and social wellness. The target population was 43 commercial banks in Kenya where heads of human resource were targeted. For inclusion purposes, census sampling method was used to collect data as sampling method omitted important population. The researcher mainly used qualitative analysis techniques and descriptive methods to analyze data collected from the organization of study. The study found that financial, intellectual, environmental, social and physical wellness programs improved employee's performance. The study concluded that flexible work arrangements relieve employee's stress that comes with job and that physical health brings the benefits of looking good on employees which in turn improves their performance. The study recommended that banks should come up with long term investment advice to employees which will be beneficial in their retirement age. Intellectual wellness programs should enable employees be more creative by coming up with ways of solving problems encountered by the organization. Employees should be allowed to suggest the best environment which would make them work better. Social wellness programs should aim at improving the relationship between employees and how they should work together as a team. Physical wellness programs should aim at improving overall health of employees where a healthy employee should perform better in the organization.

Performance

Organizations that offered more extensive bundles of wellness programs practices had higher ratings on a measure of organizational performance obtained from senior Hr Directors or such dimensions as being able to attract essential employees' quality of relations between management and employee and product quality (Ioan 2010). These effects are often associated with employee attitudes such as increased job satisfaction and enhanced control over their work schedule. The results are reduced absenteeism, intent to turnover, job stress levels and work life conflict and increased productivity. A lower turnover intention means lower recruitment and training costs, increased retention of valuable employees and increased organizational commitment and loyalty. All of these aspects are associated in turn with cost savings, higher customer satisfaction and implicitly higher levels of organizational performance (Ioan, 2010).

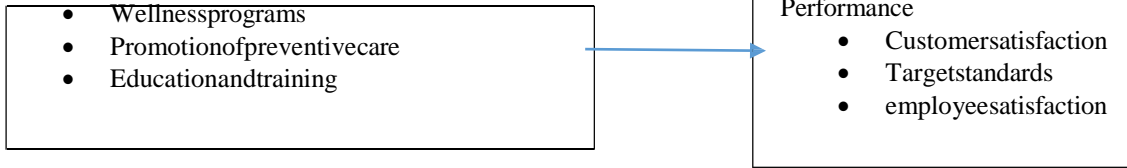
Employers who improve wellness programs for workers are likely to have a competitive advantage in the market. Other benefits of wellness programs include increased employee control over time, meeting set targets and standards, employee satisfaction, reduced family conflicts hence higher performance for the organization.

RESEARCH METHODOLOGY

This study adopted a descriptive survey research design using both qualitative and quantitative approaches. Quantitative approach because it places emphasis on methodology, procedure and statistical measures to test hypothesis and make predictions. (Mugenda, 2003, Saunders, 2009). Qualitative approach was also used because it provides greater depth to response and understanding which forms a link with respondents (Berg, 2001). This research design has been used in previous studies by Baughman, DiNardi & Holtz (2003); Mukanzi, Gachunga, Karanja & Kihoro (2014).

The target population consisted of 43 registered banks by the central bank of Kenya (CBK, 2015). These consisted of banks located in Nairobi because major banks have their busiest and main branches in Nairobi and most of their headquarters are in Nairobi with a target population of 36,212 employees (Bank Supervision Annual Report, 2015).

Conceptual Framework



INDEPENDENT VARIABLE

DEPENDENT VARIABLE

The sample size was determined by use of the following formula;

$$n = \frac{Z^2 pq}{e^2}$$

$$n_{adjusted} = \frac{Nn}{N+n}$$

$$n_{adjusted} = \frac{Nn}{N+n}$$

Where

n=number of samples, N=Total population and e=precision level 0.05.

z=Standard normal distribution set at 1.96 corresponding to a confidence level of 95% p=probability of success (0.5)

q=probability of failure

In this case the target population being 36,212 at 0.05 level of significance, the sample size was:

$$\frac{0.96 \times 36,212}{0.05^2 (36,211) + 0.96}$$

=~380 Respondents

$$\frac{34,7632.52}{91.4875}$$

The multiple regression model for this study was:

$$379.9$$

$$Y = \beta_0 + \beta_1 X_1 + e$$

Y Performance
 X1 Wellness Programs
 BO Constant

RESEARCH FINDINGS AND DISCUSSION

A high percentage of respondents 50.5% disagreed that employees get subsidized gym membership fees at a place of their choice with 63.5% of respondents also disagreeing that staff are allowed time off for exercise or gym training paid by the organization. However, 68.9% of respondents agreed that employees are given training and education on importance of good health with 55.5% of respondents disagreeing that managers support employees by providing them with subsidized balanced meal in the company. Also majority of respondents 69.6% agreed that the organization often organizes regular employee health counselling programs with 54.9% of respondents agreeing that through manager support, they find it easier to take care of their health. Again 54% of respondents disagreed that employees are not given training and education on importance of health to their bodies. However overwhelmingly 70.5% of

respondents agreed that the manager minds about their personal health and conditions of work hence provides comfortable tools of work with 44.8% agreeing that employees are allowed rest periods in between work against 37.3% who disagreed with that statement.

Table1:WellnessPrograms

	SA	A	N	D	SD	Standard Meandeviation	
	%	%	%	%	%		
a. Employees get subsidized gym membership fees at a place of their choice	8.2	22.8	18.4	27.1	23.5	3.35	12.85
b. Staff are allowed time off for exercise or gym training paid by the organization	3.9	17.6	15.0	32.6	30.9	3.69	1.192
c. Employees are given training and education on importance of good health	23.7	45.2	17.4	11.5	2.2	2.23	0.980
d. Manager supports employees providing subsidized meal with balanced meal in the company	6.8	22.5	15.3	28.6	26.9	3.46	1.008
e. The organization often organizes regular employee health/counselling programs.	24.8	44.8	19.2	7.1	4.1	2.21	1.283
f. Through manager support, employees find it easier to take care of their health and their bodies	15.9	39.0	23.9	18.3	2.9	2.53	1.026
g. Employees are not given training and education on importance of health to their bodies							
h. My manager minds about our personal health and conditions of work hence provides comfortable tools of work.	10.5	21.9	13.6	29.9	24.1	3.35	1.334
i. Employees are allowed rest periods in between work	23.0	37.1	20.6	6.5	2.4	2.18	0.941
	12.8	43.0	17.9	22.8	14.5	2.94	1.282

n=416, KEY: SA=Strongly Agree, A=Agree, N=Neutral, D=Disagree, SD=Strongly Disagree.

Crochbach Alpha=0.715 with 8 items when item c is dropped.

Regression Analysis Output of Wellness Programs and Performance

Further test to determine the amount of variation on performance explained by wellness programs was carried out. Results in tables 2a, 2b, 2c below shows the amount of variation on the dependent variable explained by the independent variable. Regression analysis yield coefficient R value of .178 and $R^2=0.032$ which mean that 3.2% of corresponding variations in performance can be explained by wellness program. The remaining 96.8% is explained by other variables not included in the model

The model is: $\text{Performance} = 2.072 + 0.111(\text{wellness program index})$.

The model was found to be significant $F(1,408)=13.330, p<.000$ which was large enough to support the goodness of fit model explaining the variations in the dependent variables. This validates that wellness program is a useful predictor of performance implying that employees who are accorded wellness programs tend to have higher performance. The following account highlights how respondents (40.5%) responded when asked how wellness programs played a role in their work:

The results of regression analysis revealed that there was a significant positive relationship ($\beta = 0.178$), $p < 0.000$) between wellness programs and performance.

Therefore, H_0 of the study is supported which states that there is no significant influence of wellness programs on performance in the banking industry in Kenya, hence we reject the null hypothesis. This shows that the regression model has less than 0.001 likelihood (probability) of giving a wrong prediction. Hence the regression model has a confidence level of 95%.

Discussion of Findings for Wellness Program on Performance of the Banking Industry in Kenya.

The objective for this study was to establish the influence of wellness programs on performance of the banking industry in Kenya. Findings of this study indicated the coefficient for wellness programs was -0.004. Regression analysis yielded R value of .178 and $R^2 = 0.032$. This means that a unit change in wellness programs will result to a change in performance by a factor of 0.004 at 5% significant level. The empirical results of this study indicate that regression analysis revealed there was a significant positive relationship ($\beta = 0.178$), $p < 0.000$) between wellness programs and performance.

This finding agrees with findings by other scholars Eisingerich, and Bell (2006) who support that the underlying purpose of wellness programs is to unlock the value of the relationship assets in organizations to enable acceleration in revenue and profit. Utilizing wellness programs in meeting the bank's immediate and long-term needs enables companies to build customer loyalty and long-term relationships to the benefit of both parties. Miller and Harlem indicates that worksite fitness programs are important for the organization as it lowers employees' absenteeism and job turnovers. Findings by Kamau, Tuwai & Kuria (2015) on corporate wellness in commercial banks in Kenya shows strong relationship between physical wellness and employee's performance. Wellness promotion does not just benefit the employees because an organization filled with healthy and fulfilled employees is a productive workplace that retains its employees. Offering on-site seminars and workshops on topics such as stress, healthy leaving, communication styles among others is also key in enhancing wellness and health living of employees (Duxbury & Higgins, 1992).

Findings from the descriptive statistics indicate majority of informants agreed that training and education was one of the mostly used ways by the banks to promote wellness as well as organizing regular employee health counselling programs. The informants also indicated manager support on personal health and conditions of work as well as provisions of rest periods in between work as opposed to gym facilities in the places of work and outside of work at subsidized rates was provided apart from gym facilities which respondents disagreed on being offered. It is therefore evident from the foregoing discussions that there was evidence of wellness programs from the banking industry in Kenya though not satisfactorily which is very important in ensuring that employees are health and motivated to enhance performance. Organization should therefore encourage fitness and health living in addition to offering workshops.

Table 2a Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.178 ^a	.032	.029	.42389

Table 2b ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.395	1	2.395	13.330	.000 ^a
	Residual	73.309	408	.180		
	Total	75.704	409			

Table 2c Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.072	.093		22.373	.000
	Wellness programs	.111	.030	.178	3.651	.000

a. Dependent variable: Performance

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The study established that wellness programs influenced performance. This was through preventive care, education and training on importance of wellness on employees as well as through supportive manager. The research attempted to establish whether preventive care, training and education on health issues to employees was provided as well as if managers were supportive on the same to enhance performance of the banking industry.

Based on the results of this research as evidenced in the regression models, there shows an interaction between wellness programs and performance. The findings of this study indicated that performance of the banking industry was increased when wellness programs were provided to employees and there was a significant change in performance. The value of R square was significant ($R^2=0.032$) and as revealed by results of F tests ($p < 0.001$). This led to rejection of the null hypothesis that wellness programs had no significant influence on performance in the banking industry in Kenya. It was evident that majority of the banks in Kenya encouraged wellness programs and embraced preventive care, education and training opportunities and managers were supportive of the programs for higher performance though not satisfactorily.

CONCLUSION

The results of this research indicating an interaction between wellness programs and performance is a reflection that wellness program practices such as promotion of preventive care, education and training opportunities on wellness matters and having supportive manager are good practices that influence performance if employees are accorded them.

Based on the findings of this study it can therefore be concluded that majority of the banks in Kenya which were sampled in this study lay emphasis on wellness programs for increased performance. Hence wellness programs remained significant in influencing firm performance. Wellness programs provisions which includes promotion of

preventive care, education and training opportunities on wellness, and having supportivemanagersonwellnessissues had a linear relationship with customers satisfaction, target standards, employees satisfaction and in the banking industry in Kenya. This could imply that they played a major role in influencing overall performance. It is widely accepted that wellness promotion does not just benefit the employees because an organization filled with healthy and fulfilled employees is a productive workplace that retains its employees which obviously translates to increased performance.

RECOMMENDATIONS

Aspects of wellness and policies that pertain to wellness of employees such as promotion of preventive care, education and training opportunities on wellness of employees alongside supportivemanagersonaspects of wellness plays a major role in increasing performance. The results of this study has helped to determine the crucial role of wellness programs practices and therefore recommends organizations to focus on the use of wellness programs practices as they are necessary to ensure that organizations support their objectives. In addition, this study recommends that organizations should increasingly recognize the influence of wellness programs practices as critical in achieving their objectives.

These findings therefore recommend that organizations should carefully consider the alignment of wellness programs aspects they adopt so that they support and supplement one another in ensuring the objective of both the organization and employees is met. In addition, it is proposed that in light of these findings, policymakers in organizations evaluate the wellness programs practices and activities by the degree to which they contribute directly to the accomplishment of an organizations goals and also the benefit they have to employees so that they ensure the policies are in place and implemented in organizations as mandatory.

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