INFLUENCE OF INTERNET BANKING ON SAVINGS AMONG LOW CADRE EMPLOYEES IN MAU TEA MULTIPURPOSE COOPERATIVE SOCIETY LIMITED IN KERICHO COUNTY, KENYA

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DECLARATION

Declaration by candidate:

This research project is my original work and has not been presented for a degree in any other University.

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Declaration by supervisor:

This research project has been submitted for examination with my approval as the University supervisor.

Signature _____ Date: _____

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DEDICATION

I dedicate this research project to Almighty God for His grace and good health during the entire period, my supervisor, classmates, wife and children for their support.

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ABBREVIATIONS AND ACRONYMS

ATM	Automated Teller Machine
GSM	Global System for Mobile Communication
ICT	Information Communication Technology
IT	Information Technology
NACOSTI	National Commission for Science, Technology and Innovation
PC	Personal Computers
SMS	Short Message Service
SPSS	Statistical Package for Social Sciences
PDA	Personal Digital Assistance
USSD	Unstructured Supplementary Services Data
PSTN	Public Switched Telephone Network
KBA	Kenya Bankers Association
MNO	Mobile Network Operations
ROE	Return On Equity
PSTN	Public Switch Telephone Network
ITK	Information Technology Knowledge

OPERATIONAL DEFINITIONS OF TERMS

Credit Card   Is a payment card issued to users (cardholders) as a method of payment. It allows the cardholder to pay for goods and services based on the holder's promise to pay for them.

Debit card   A debit card (also known as a bank card or check card) is a plastic payment card that can be used instead of cash when making purchases. It is similar to a credit card, but unlike a credit card, the money comes directly from the user's bank account when using a debit card.

E-Banking   Is the use of electronic methods to deliver traditional banking Services such as taking deposits, making loans and clearing payments using any kind of E-channels.

E-Commerce   Is the trading or facilitation of trading in products or services using computer networks, such as the Internet or online social networks.

Internet Banking   Refers to the use of mobile banking, automated teller machines and personal computer on banking.

M-Banking   Is a service provided by a bank or other financial institution that allows its customers to conduct a range of financial transactions remotely using a mobile device such as a mobile phone or tablet, and using software, usually called an app, provided by the financial institution for the purpose.

Savings   Refers to total amount of savings and frequency of savings.

ABSTRACT

ICT innovation has revolutionized the banking sector in a bigger way and their application has led into emergence of internet banking. As a result, consumers are shifting from tradition channels to digital ones leading to the new and popular trends of financial transactions. This research seeks to examine influence of internet banking on savings among low cadre employees in tea industry in Kenya. The specific objectives were: To determine the effect of Mobile Network Operations, establish ATM use, examine the effect of IT knowledge and assess the effect of internet access among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd. The research adopted case study research design. A sample of 150 was selected from a population of 249 using simple random sampling techniques. Data was collected using questionnaires. Obtained data was analyzed using by descriptive and inferential statistics, to examine various sub categories of data in order to make meaning out of them. Multiple regression analysis method was used in testing effect among variables. There was strong effect between IT knowledge and Internet access, a weak effect on employee savings between Mobile Network Operations. Mobile Network Operations delivered a least performance as a predictor while IT knowledge was the best loaded compared to all other predictors in support of employees' savings. Mobile Network Operation was generally the least performed. The employee saving support comes mainly ATM use, IT knowledge and Internet access, since their factors are loaded together indicating higher support. Banks need to focus on attention at a lower cadre of employees in both private and public sector, commercial banks need to carry out training on basic IT knowledge in collaboration with local tea producers, to harness further research of the Mobile Network Operations in order to establish its poor response and low support towards employee savings.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The Internet has rapidly being embraced and adopted as a tool of worldwide communication. The increased use of internet has assisted entrepreneurs and producers in selling. In addition, it has become a crucial source of information as well as knowledge, (Sathye, 2007). Owing the various benefits of internet use, the banking and financial organizations took their services and products over it in form of internet banking or online banking.

As defined by Comptroller's (1999), internet banking is a term that denotes the systems that facilitate the bank customers to access accounts as well as the general information on the services and products offered by the bank through dives such as the personal computer, smartphones, Automated Teller Machine (ATM), personal digital assistant, and other intelligent devices. In its 1998 report, the Basel Committee on Banking Supervision pointed out that internet banking entailed the use of electronic channels to provide retail as well as the small value banking products and services such as account management, deposit - taking, provision of financial advice, lending, electronic bill payment, and other electronic payment services like the electronic money.

In Jun Wu's views (2005), internet banking is the automated supply of traditional and new banking services and products directly to clients using electronic, interactive communication channels. The author expounded that internet banking included the systems that supported the financial institutions' businesses, customers and individuals to transact business, access accounts, or get pertinent information on financial services and products via the Internet.

Internet banking is a revolutionary technology designed to come to the aid of both the bank and the client, but requires some costs (Lavinia, 2014). The available research shows that for decades now, information technologies have materially altered the banking industry across the globe. By adopting various information technologies, banks and other financial institutions across the world have improved their financial intermediary roles (Chang, 2002; Haynes & Thompson, 2000; Venkatesh at al., 2003).

Available literature also shows that the current internet banking has presented relief to the risen number and complexity of banking operations as well as services delivery. Information technology has radically altered the manner in which banking is done across the world by making internet banking and the transfer of funds electronically a part of day-to-day transaction (Lavinia, 2014). Thus, the transaction size and banking operations speed have greatly improved following the growth of internet banking that has created numerous changes and offering new business opportunities for banks operated bodies and industries.

Research on the internet accessibility to people willing to execute their financial transactions electronically shows that shows that the developing states such as those in Africa, Kenya included is poor. However, in the recent past, the Kenyan banking and financial sector has experienced a gamut of financial services following the mobile banking adoption. The common mobile banking services include sending and receiving money, balance enquiry, paying bills, purchase of mobile airtime, and account notification- all at the customers' convenience.

Over the past the use of computers with internet connectivity was the main hurdle to the adoption of technology (ICT) since it was just a handful of people who had access to these gargets, either those using them in workplace or visiting cyber cafes for computer services; all which were very inconveniencing (Venkatesh et al., 2003).

Currently, the access to the gargets with internet such as the mobile phones and which is affordable, internet banking is becoming more convenient because an individual need not use or own a computer - which further the inconvenience as one will need to have it connected with internet - to access the online banking services. The internet enabled mobile devices and the use of internet on computers can be useful in savings. The users of technology can save their money wherever they are subject to limitations that they might encounter. Therefore, there is likelihood for internet access to influence the savings over the PDAs and internet enabled mobile phones.

1.2 Statement of the Problem

Despite the emergence of new technological innovations, Kenya is yet to realize its optimum utilization of internet banking. Venkatesh at al., (2003) noted that among the numerous banking technologies, internet banking is the latest as well as the most rapidly diffused banking technology across the globe; yet E-commerce, which is the adoption and subsequent diffusion of electronic banking system, is poorly developed in Kenya.

The available information shows that technological innovations in the banking industry are crucial in the creation of value for both the banks and customers. Customers are able to execute banking transactions without necessarily visiting a brick and mortar banking system (Karungu, 2014). The research on internet banking has always been geared towards assessing internet banking from financial institutions point of view while little attention has been drawn towards how internet banking influences savings among the lower cadre of employees. Statistics also shows that internet use in Kenya has gradually increased from 1996 to 2015 from 28.0 per every 100 people between 1996-2000, 32.1 per every 100 people between 2001 and 2005; to 39.0 per every 100 people between 2006 and 2010 to 43.4 per every 100 people in the

years 2011 to 2015 (World Bank, 2016). This significant change has revolutionized the banking sector. It should also assist the users in making them easily do their savings by directly transferring their funds into their bank accounts over the internet either by internet enabled mobile phones or PDAs. The research needs to examine whether the availability of internet influences the way employees do their savings. It was on the basis of this background that this research has been conducted. This research therefore sought to examine the influence of internet banking on savings among the low cadre employees in tea sector.

1.3 Study Objectives

1.3.1 General Objective

The general objective of this research was to examine the influence of Internet Banking on Savings among the Low Cadre Employees in Tea Industry in Kericho County.

1.3.2 Specific Objectives

i. To determine the effect of Mobile Network Operations on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

ii. To establish the effect of ATM, use on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

iii. To examine the effect of IT knowledge on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

iv. To assess the effect of Internet access on the influence of internet banking on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

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1.3.3 Hypotheses

H1: Mobile Network Operations has significant effect on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

H2: ATM use has significant effect on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd

H3: IT knowledge has significant effect on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

H4: Internet access has significant effect on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

1.4 Significance of the study

ICT has penetrated literally all sectors of economy. The banking sector has been greatly influenced by ICT innovations that have fast-tract its service delivery. This research therefore facilitates an analysis of how ICT has been utilized by employees in tea sector in enhancing their saving capacity. The findings are valuable in enhancing innovations and policy frameworks that guide ICT developments regarding savings among the lower cadre employees not only in tea sector but across other sectors. The lower cadre employees are the majority and emerging population who are yet to be fully tapped in terms of savings. There is need to study whether they are embracing the technology and what needs to be done. The study also unearths the state of mobile money services as a new area of financial transaction in tea sector in Kenya and the factors that have majorly affected its growth. The study is also useful as a basis for further research.

1.5 Scope of the Study

The study was conducted in Mau Tea Multipurpose Cooperative Society Ltd which is located in Kericho County, 10km from Kericho town a long Kericho-Nakuru highway. The research adopted case study research design. A sample of 150 was selected from a population of 249 using simple random sampling techniques. Questionnaires were used to collect data during the months of January, 2016 to April, 2017, which was later analyzed using descriptive and inferential statistics. The research focused on the lower cadre employees of Mau Tea Multipurpose Cooperative Society Ltd; and sought to determine how internet banking has influenced savings in this category of employees.

1.6 Limitations of the Study

Non-response by some respondents was experienced during the research. Financial matters more often than not are treated as confidential issues and some respondents may have withheld some information more so regarding the frequency and amount of savings executed through various forms of internet savings.

Validity and reliability test was performed to mitigate for non-response.

1.7 Organization of the Study

This research project is organised as follows: the foregoing chapter covers the research background, problem statement, research objectives, significance of the study, scope, and the limitations. Chapter two presents the literature review where theoretical and empirical reviews are done. Chapter three presented the research methodology while section four presented the analysed data and discussions. Finally, section five presented the summary of findings, conclusions, limitations of the study as well as the recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section presents the review of relevant literature reviews on internet banking and its influence on savings. A review on the concept of internet banking and its influence on savings among employees in the tea sector was carried out as a basis of focus for this study.

2.2 Theoretical framework

2.2.1 Diffusion of Innovation theory

Mahajan and Peterson (1985) as cited in Okiro Kennedy and Ndungu (2013) defined innovation as an idea, object or practice considered being new by the social system's members. Therefore, diffusion of innovation is the process through which the innovation is disseminated among members of social systems via certain avenues over time. Rodgers (1983) cited in Jun Wu (2005) defined diffusion of innovation as the spread of new idea from its innovation or creation source to its universal uses or adoption. Jun Wu pointed out that it is almost all of the new ideas that are considered to be technological innovations. Clarke (1995) as cited in Okiro and Ndungu (2013) noted that the theory tries to offer an explanation and description of the mechanisms of how these new inventions are spread. This theory thus fits this study since it deals with the manner in which internet as well as mobile banking is embraced and becomes successful.

Rodgers (1995) pointed out that the rate of new innovations' adoption is influenced by its perceived relative advantage, triability, complexity, compatibility, observability. According to the Economic Survey (2015)'s report, the ICT sector

realized a 13.4% growth in 2014 from 12.3% in 2013. The mobile penetration grew from 74.9% in 2013 to 78.3% in 2014 while internet penetration was 38.1% in 2014. ICT development and innovation has revolutionized the banking sector. ICT innovations have seen the emergence of electronic banking. Providing banking services and products via the internet has been beneficial, especially in cost control, higher productivity and profitability owing to the use of automated ways of transacting to replace the traditional labour intensive methods. Additionally, technological advances in the banking industry has led to the evolution of online banking and m-banking thereby revolutionizing the ways in which commercial banks execute their business (Mutua, 2010).

Internet and m-banking has made it easy and possible for financial institutions to offer banking services via mobile and online while also giving customers easy access to these services and other benefits (Mutua, 2010). Sevcik (2004) noted that not all good innovations are adopted and it may also take longer before it is adopted. Among the factors that lead to slow or hinder the diffusion of innovation is the resistance to change. Although it might not stop the innovation, it will slow it down. Rogers (1995) identified five critical attributes that greatly influence the rate of adoption.

The financial institutions in Kenya adopt mobile and internet banking innovations after analyzing the associated benefits, and subject to the availability of the required infrastructure. Organizations with internet access as well as the information technology departments tend to adopt these innovations faster than the ones without. The literature on internet banking has a narrow focus and equates the internet money with the currency substitution with internet gadget. For example, Freedman (2000) pointed out that internet money and internet banking consisted of three devices namely: access devices, network money, and stored value cards. Internet banking is

ignored as it is considered as simply the access to new devices. On the other hand, internet money denotes the total stored value such as the smart cards while network money is the value stored on computer hard drives.

The models identifying the circumstances when alternative payments substitute for currency were presented by Santomero and Seater (1996), Prinz (1999) and Shy and Tarkka (2002), and among them is the possibility for internet substitutes, and depend on the features of the various technology and users. According to Friedman (1999) internet banking offers the likelihood that a completely alternative payment system that is away from the Central Bank's control may arise. The author added that through the use of computers in banking, the payment system is bypassed. Through internet banking, customers are able to execute a wide gamut of banking transactions in an electronic way through the financial institutions' websites. Kogan et al. (2005) pointed out that at the initiation stage, internet banking was majorly used as an informational channel where banks used their websites to market their services and products. Following the development of secured transaction technologies, Kogan et al. (2005) noted that more banks have opted to use internet banking as a transactional and an informational platform. According to Acharya and Kogan (2004) as cited in Kogan et al. (2005), the internet banking has enabled customers to carry out the common banking transactions including checks writing, checking account balances, funds transfer, and printing statements.

The PC and telephone banking is an infrastructure that enables customers to use telephone calls to contact their banks and find out their position. To ensure that the system is safe, customers are given special codes that identify the authentic users before any information they request is released. Through the telephone and PC banking, the bank is presented at the customer's doorstep as the client is not required

to leave her premises. The internet is also supporting payment in the form of smart card system with the common ones being Debit Card, Credit Card, and ATM cards.

A smart card is a plastic device that has embedded integrated circuit, store information on a microchip and is used for financial obligations' settlement. The card is internally loaded with cash and the customer can carry it around just like cash.

The microchip has the capability of holding the cash value, and also bears the security programs that protect transactions among the card users. The customers can also use these cards in the payment of goods or services from retailers, merchants or other outlets.

2.3 The Concept of Electronic Banking

The development of IT has seen innovation and use of network computers to mobile services (Schofield & Kubin, 2002). This is what has been termed as electronic or internet banking, and its use is considerably high. According to Wambari (2009) with more users signing up for the electronic banking, the maturity regarding remote banking has increased. With an access to the internet, the users can now conveniently perform banking transactions.

2.3 Development in Mobile Banking (Trends)

According to Wambari (2009), the invention of the internet has led to the revolution in the manner in which financial institutions conduct their business, facilitate a 24 hours' accessibility to the financial services and products, and development of new business models. As a financial transaction, mobile banking is done by logging onto the bank's website using personal digital assistance (PDA) or mobile phone to perform the normal banking transactions such as payments, balance checks among others.

The conduct of financial transaction online has led to the creation of new parties in this industry. These players offer personalized services and include online brokers, online banks, and wealth managers. In September 2005, mobile and wireless market was among the fastest growing markets across the globe exceeding 2.5 billion. Online banking household was expected to rise by 2010 and now it has penetrated all sectors of work life.

2.4 Emergence of Internet Banking

Internet banking is a component of electronic online banking. As defined by Molla (2002), internet banking is the use of electronic channels to provide retail as well as the small value-added banking services and products. Internet usage is trans-boundaries because it has no definite boundaries, and scholars have argued it is a fluid and dynamic environment (Jun Wu, 2005). Any challenges to the internet use are only presented by the software and hardware technological issues. The wide use of the internet has seen it play a critical role in the financial sector. Wang (2002) posited that as a technology, the internet was diffusing at a faster pace than other technologies and has entirely changed the people's way of life. Wang also stated that the current trend is that the internet doubles every hundred days.

In the United States banking industry, the internet banking has been associated with costs reduction and improvement in service quality for its customers. Jun Wu, (2005) noted that the use of internet for online banking saw its demand increase from 4.8 million clients in 1997 to about 7.8 million clients in 1998. This growth expanded and by 2001, more than 14 million customers used online banking services via the internet. Such an expansion was also drawn in UK bank, and by June 1999, the U.K France, Spain, Switzerland, Holland, Luxenburg, Portugal, Germany, and Scandinavia

had become critical in offering internet banking services across the Europe (Ongvasuwan (2002) cited in Jun Wu (2005).

2.5 Changes in Online Banking

The introduction of the internet has greatly impacted on the internet banking diffusion (Jun Wu, 2005). According to Halili (2014) online banking traces back to the 1980 when it was seen as a terminal, keyboard and television to access the banking system through the use of a phone line. The main banks that provided home banking services are the Chase Manhattan, Citibank, Chemical, and Manufacturers Hanover. The oldest home service online banking was offered by the Bank of Scotland to the Nottingham Building Society's customers in 1983 (Halili, 2014). Over time, development of technology has led into development of various types of online banking with the most used being PC Banking, Phone banking, Automated Teller Machine (ATM), and E-Mail Banking (Halili, 2014). The ATM is the basic form of non-branch bank where customers can access their accounts with their card and check their balances, withdraw money and make payments. After the phone banking, the PC Banking ranks second as the most used internet banking. The increase in the laptop and PC users has made online banking easy to access by use of passwords and user names.

This represents a banking type that works with the customers through email correspondences (Halili, 2014). Through the emails, the customer tells the bank about operations he intends to undertake and the bank replies to the questions. Email banking may involve the use of the client's PC or mobile phones, where in both instances the conclusion of operations is accompanied by a confirmation.

Halili (2014) points out that there was a different between phone banking and mobile banking. He argued that phone banking is used by customers when they contact the financial institutions and with some preliminary questions to ensure that the caller was

the legitimate owner of the account, asks for the current balance, make payment, and transfer. On the other hand, mobile phone, considered as more effective, enables customer himself/herself to make the operations. It is a 24/7 operation machine through which the clients pay, transfer and check balances everywhere every time.

2.6 Internet Banking in Kenya

The Kenyan mobile and internet banking is linked to the need to have an information driven economy, which in turn has seen the banking industry inevitably finding itself unable to resist technological change. Consequently, it has led to a widespread development of mobile banking leading to low cost banking, and mobile phone use across Kenya. In 2009, the Standard Chartered Bank launched its mobile banking in seven African markets.

In the Kenyan market, the Standard Chartered Bank uses a unique, user-friendly platform that is referred to as Unstructured Supplementary Services Data (USSD) to offer a number of services. This platform is only available on Global System for Mobile Communication (GSM) carrier networks that enable the clients to use their mobile phones to access banking in real time and anywhere in the world. The m-banking platform offered by Barclays Bank is called 'hello money' and customers use their mobile to access banking services anytime and anywhere for free. Co-operative Bank began offering its mobile banking services in 2004 by enabling customers to use their phones to access their accounts for utility bills payment, balance enquiries, SMS alerts on credit and debit transactions, mini-statements, and funds transfer. The Equity Bank's m-banking platform is called Eazzy 24/7 and provides the basic banking services as listed above.

The mobile money use in Kenya for financial transactions has continued to burgeon since its inception with Kenya having the leading mobile money system in the world (Economic Survey, 2015). The survey showed that in 2014, mobile money subscriptions hit 26.0million, a representing a 60.6% penetration rate to the total population. Thus, the use of mobile phone for banking is becoming critical, which calls for a research to examine how influential this is among lower cadre employees in tea sector. As noted by Mutua (2010) the milllions of people with mobile phones have been provided with mobile banking convenience as they can transact 24hrs a day.

The invention of m-banking as a result of market competition from telecommunication industry where Safaricom invented m-pesa services while Airtel, currently Zain developed Zap services (Mutua, 2010). Since then, many Kenyan banks have innovated a number of m-banking products. For instance, KCB's Mobibank, Equity Bank's M-Kesho, Family bank's PesaPap and Commercial Bank of Africa's M-Shwari (Mutua, 2010).

By the use of mobile banking, both banks and customers have continued to enjoy many benefits (Jun Wu, 2005). For example, it provides convenience to the customers as it removes geographical limitation. Also, there is no time limitation and customers are able to perform their banking activities anytime and anywhere. Above all, mobile banking offers efficient cash management as well as security of cash (Mutua, 2010). Wang (2004) pointed out that among the advantages of internet banking included time saving and convenience because customers can bank 24/7 without physically visiting any branch and transactions are done and confirmed in real time. In their arguments, Martin, et al., (2002) pointed out that internet banking gave customers security since they use a secret PIN (Personal Identification Number) which prevent unauthorized

access to their accounts. In addition to this, the security of the client is enhanced since the need to carry around colossal amount of cash is reduced.

Among the benefits identified by Bryden, 1999 cited in Jun Wu (2005) is that of cost savings, efficiency, reaching new market segments, enhanced bank's reputation and better customer service and satisfaction. Jun Wu pointed out that the more the customers converted to internet banking, the greater the monetary savings.

Robinson (2000) argued that the cost involved in electronic transaction was dramatically lower compared to that of a face to face bank transaction. Jun Wu contended that through electronic banking financial institutions achieved better cross channel production and performance. Jun Wu argues that one way of judging performance in banking sector is by looking at number of new accounts opened. It can therefore be argued that internet banking contributes to banking sector performance.

Jun Wu (2005) pointed out that different forms of internet banking have been identified. These are: the internet banking that utilizes banks' proprietary software and which uses the bank as an "electronic gateway" to customer accounts. The software is sent to be installed on home computers to facilitate transfer of funds or pay bills electronically. The other form of internet banking is that which is executed via personal computers using dial-up software. The customers use the home finance software to connect to their banks for online banking (Jun Wu, 2005). The third type of internet banking identified by Jun Wu is via online services in which financial institutions establish branches on subscriber-based online services. The last type is internet banking via the World Wide Web, which bypasses subscription, based services and allows financial institutions to directly link with the customers.

The use of mobile phones in Kenya has been unprecedented (Koivu, 2002). The Kenyan mobile banking system has affected the performance of organization. Mobile banking is an invention that has continued to render itself in pervasive ways of cutting across various economic sectors and industries (Mutua, 2010).

In a majority of the developing economies, 90% of citizens lack a bank account or access to basic financial services (Wambari, 2009). Therefore, the provision of banking services and products via mobile phones is one option to financial inclusivity. Wambari (2009) argued that many poor people already have access to mobile phones and that the positive aspects of such gadgets are that mobile network can reach remote areas at low cost. Additionally, the author argued that these gadgets can easily be adopted to handle banking transactions. Findings by International Telecommunications Union showed that the growth of mobile phone communication was faster in Sub-Saharan Africa than other parts of the world. The findings showed that the mobile phone subscribers grew to nearly 80 million in 2004 from 8 Million in 1999, and was expected to rise further to 250 million over subsequent four years.

2.7 Empirical Reviews

2.7.1 M-Banking

Empirical studies show that since its inception, M-Pesa which is currently the main basis for M-Banking, has tremendously grown since 2007 and that registered M-Pesa users were 1.1 million within 8 months and by September 2009, more than 8.5 million Kenyans had registered for M-Pesa. The M-Pesa (M for mobile, pesa is Swahili for money) is a mobile-phone based money transfer and micro-financing service that was launched in 2007 by Vodafone and Vodacom in Kenya and Tanzania respectively (Sanja, et al., 2014). The mobile banking has since expanded to other parts of the world such as Eastern Europe, Afghanistan, South Africa, and India. M-Pesa permits

users with passports or national ID cards to deposit, withdraw, and transfer cash using mobile devices (Sanja, 2012). Mobile banking has become a powerful tool for economic growth, and should thus be properly protected. The mobile money services have made Kenya to be a better macroeconomic environment, especially now that the Central Bank of Kenya can monitor money in circulation (Sanja et al., 2014).

A study done by Mbiti and Weil (2014) on the impact of M-Pesa in Kenya revealed that speed cellular communication, instant cash transfer, secure channel, and less costly were the major changes witnessed across the economic sectors. Marawaynski and Pickens (2009) found that the nature, pattern and impacts of remittances have been highly influenced by M-Pesa as users sent smaller but more frequent remittances leading to overall larger remittances to rural areas. Marawaynski and Pickens (2009) also noted that M-Pesa has potential of affecting savings as users would keep a balance on their M-Pesa accounts. However, this has not been examined and their observation that balances are kept does not give savings as a prime reason for utilization of M-Pesa.

2.7.2 Mobile Cellular Network

Study by Sanja et al. (2014) focused on the subscriptions to the public mobile telephone services and access to Public Switched Telephone Network (PSTN) through the use of cellular technology including the size of the pre-paid active SIM cards over the past 90 days. Both the analogue and digital cellular systems (IMT-2000, 3G and 4G) were included, but mobile broadband subscriptions through the USB modems and data cards were excluded. Marawaynski and Pickens, (2009) also noted that M-Pesa has potential of affecting savings as users would keep a balance on their M-Pesa

accounts. However, this has not been examined and their observation that balances are kept does not give savings as a prime reason for utilization of M-Pesa.

A research done by Vaughn (2007) showed that some people preferred to stored money in M-Pesa owing to its safety, more so when travelling across the nation; thus M-Pesa has acted as "a digital purse". Findings from the 2009 Financial Survey also shows that around 26% of subscribers reported using M-Pesa to for savings while studies by Mbiti and Weil (2014) indicated that 50% of M-Pesa users reported that they would like to have their main income remitted through the M-Pesa because of its speed and accessibility. In terms of gender, Mbiti and Weil (2014) observed that 35% more men are likely to use M-Pesa frequently compared to women.

2.7.3 ATM Usage

In their research, Mbiti and Neil (2009) found that almost 4% of respondents withdrew money from their M-Pesa account using ATMs while 3% used M-Pesa to pay goods and services using M-Pesa. The findings did not reflect how ATM contributes to any savings. A research done in Nigeria by Ifenyichukwu on the impact of ATM on banking services delivery showed that the increasing adoption of ATM as the main bills settlement system had redefined the banking services not only in Nigeria but also internationally.

Okoro (2014) in his research on customer satisfaction concluded that internet services, ATM, and Point of Sale (POS) terminals were the major instruments adopted by the clients for the deposit in many Nigerian banks. He argued that following the introduction of electronic banking and ATMs, the increased adoption and penetration of internet banking and mobile banking had added a new distribution avenue to retail banking. Ifenyichukwu (2016) noted that ATMs had eliminated the need to enter a bank for the basic services as they allowed clients an access to accounts through

machines. Adewoye (2013) in his study observes that ATM is an innovation customer delivery offering several services such as cash withdrawals, fund transfers, bills payment, etc.

According to Adrian (2014) ATMs intentions were to decongest the banking hall. His findings indicated that the ATM had affected the banking services in terms of their predisposed ease of use, transaction costs and services security. Further result indicated that in terms of money availability, the impact of ATM was positive but insignificant. Indris (2014)'s study assessed the perceived customer satisfaction following the introduction of ATM while Komal (2009) investigated the impact of ATM on satisfaction. Clearly most of these studies have focused on ATM and customer satisfaction, risk factors and improvement on capital based.

Another empirical study done is where Ebiringa (2016) assessed the effects of ATM infrastructure on the e-payment success while Ezefiofor (2014) assessed the effectiveness of electronic banking systems in enhancing service delivery in Nigeria banking industry. The findings showed that electronic banking enhanced the customers' satisfaction for easy access to financial transactions. The clear gap here is the contributions of ATM towards customer savings. This research equally seeks to fill this gap.

2.7.4 IT Knowledge

Survey done by "Information Economy Report (2007-2008)" provided some statistics and theoretical evidences which proved that the use of Information Communication Technology (ICT) had greatly influenced the economic aspects of many nations. The same survey showed that growth of the technology assisted in the reduction of money held in pockets resulting in less robbing and stealing. With regard to IT Knowledge,

Yuen (2013) noted that influenced by their education and income levels, men embraced online banking more easily than women.

Rvezarta Halili (2014) found out that education was a major variable that impacted on the use of online banking. This move could be on the basis that better education is linked to a better well-paying job, which leads to an increase in the involvement of the online banking (Lambrecht & Seim, 2006). An examination on the success of M-Pesa by Oloo (2013) showed that the technology used in the mobile money services had inherent threats among them financial fraud, money laundering and operational risks. The Kenya Bankers Association (KBA) raised concerns that Mobile Network Operations (MNOs) provided services same as those rendered by financial institutions leading to competitions.

2.7.5 Internet Access

Empirical evidence indicates that compared to the developed economies such as the Europe and US, the developing nations such as those in Africa have not fully embraced online banking services. However, there are some countries such as Kenya, Nigeria, Zambia, South Africa, Algeria, among others that have pioneered its use (Sathy, 1999). A research done in Turkey by Ceyland, Emne, Ash Denitz (2008) on internet banking showed that in the first year of adoption the internet banking usually does not record positive performance. Similarly, a study by Husni Ali and Noor Mousa (2011) in performance of Jordanian domestic financial institutions that had adopted e-banking; showed that the early adapters of e-banking had no significance in profitability for the first years, thus adopting to e-banking service takes time.

An empirical analysis by Pooja and Balwinder (2009) on eighty-five commercial Indian banks (both private and public) between 1998 and 2006 showed that the profitability, operating efficiency as well as financing internet banks return better with lower cost. These findings prove that internet banking is usually linked to lower cost of operation. The same findings showed that in terms of returns on equity (ROE), the performance of internet banking was very good and foreign banks achieved a value of 10 percent.

The Internet has rapidly being embraced and adopted as a tool of worldwide communication. The increased use of internet has assisted entrepreneurs and producers in selling. In addition, it has become a crucial source of information as well as knowledge, (Sathye, 2007). Owing the various benefits of internet use, the banking and financial organizations took their services and products over it in form of internet banking or online banking.

As defined by Comptroller's (1999), internet banking is a term that denotes the systems that facilitate the bank customers to access accounts as well as the general information on the services and products offered by the bank through dives such as the personal computer, smartphones, Automated Teller Machine (ATM), personal digital assistant, and other intelligent devices. In its 1998 report, the Basel Committee on Banking Supervision pointed out that internet banking entailed the use of electronic channels to provide retail as well as the small value banking products and services such as account management, deposit - taking, provision of financial advice, lending, electronic bill payment, and other electronic payment services like the electronic money.

In Jun Wu's views (2005), internet banking is the automated supply of traditional and new banking services and products directly to clients using electronic, interactive communication channels. The author expounded that internet banking included the systems that supported the financial institutions' businesses, customers and individuals to transact business, access accounts, or get pertinent information on financial services and products via the Internet.

Internet banking is a revolutionary technology designed to come to the aid of both the bank and the client, but requires some costs (Lavinia, 2014). The available research shows that for decades now, information technologies have materially altered the banking industry across the globe. By adopting various information technologies, banks and other financial institutions across the world have improved their financial intermediary roles (Chang, 2002; Haynes & Thompson, 2000; Venkatesh at al., 2003).

Available literature also shows that the current internet banking has presented relief to the risen number and complexity of banking operations as well as services delivery. Information technology has radically altered the manner in which banking is done across the world by making internet banking and the transfer of funds electronically a part of day-to-day transaction (Lavinia, 2014). Thus, the transaction size and banking operations speed have greatly improved following the growth of internet banking that has created numerous changes and offering new business opportunities for banks operated bodies and industries.

2.8 Research Gaps

Based on these empirical data, it is clear that much of internet banking have focused on trends and innovations of ICT, and how it has influenced banking sector in terms of process or operation. Much of the work has focused on how internet has influenced performance of financial institutions.

The mobile networks and its role in banking have focused mainly on how these have impacted on transactions through fund transfers, and withdrawal and deposits or remittance. Little has been done to evaluate the impacts of internet banking on savings mainly in tea sector among the lower cadre employees. Thus, this research sought to fill this gap by examining how internet banking has influenced saving behavior of lower cadre employees in tea industry.

2.5 Conceptual framework

Independent Variable (IV)   **Dependent Variable (DV)**

Mobile Network Operations:

- Phone Internet services.
- Phone banking usage.
- Phone Employee savings usage.
- Phone bank reconciliation

ATM:

- Bank account ownership.
- ATM card ownership
- Frequency of deposits through ATM,

Employee savings:

- Frequency of Employee savings.
- Total amount of Employee savings.

IT Knowledge:
- Internet usage.
- Access to computer.
- Online banking.
- Usage of internet on Employee savings

- Experience

Internet access:
- Internet enabled phones.
- Access to internet enabled computers.

Figure 2.1 **Conceptual Framework**

Source: Researcher (2018)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section deals with research design, description of the study area, Nature and sources of data, population and sample size, the sample design, methods of data collection, reliability and validity of research instrument and methods, data analysis techniques, and ethical issues.

3.2 Research design

A case study approach of descriptive research design was used in this research. A case study research is the most common type of design that is best method for collecting original data for the purpose of describing phenomena in population by focusing on certain focused group (Mugenda and Mugenda, 2003).

In this design, information on opinions or practices was obtained from the population sample which was considered as representative, through the use of questionnaire technique. This information gives the grounds for making comparisons and determining trends, revealing any strengths and/or weakness in a given scenario, and offers information for decision making. The case study design has some limitation. For instance, the information unknown to the respondents cannot be tapped. To address this, Questions were prepared properly so as to ensure their reliability and validity and to eliminate this biasness.

3.3 Target population

The study focused on all lower cadre permanent employees of Mau Tea Multipurpose cooperative society ltd from which the respondents were drawn. It covered two main areas: those working in the factory and those working in the estate.

The researcher targets a population of 249employees in Mau Tea Multipurpose cooperative society ltd. From 249 employees, 150 respondents were sampled basing on the formula n = N / (1+ N (e) ^{2}), Yamane (1967:886). Where n is the sample size, N is the sample population and e is the significance error.

3.4 Sampling design

This researcher utilized simple random sampling technique to collect data. A lottery approach was used where names of the subjects or objects in the population were written down on pieces of paper and put in a container. The pieces of paper were then mixed thoroughly to ensure that each name has an equal chance of being selected. From the population, subjects were allowed to pick and those that picked 'yes' were included in the final sample. The exercise was repeated until the representative sample was obtained.

The researcher used simple random sampling because every item in the entire population has an equal probability of being picked. To get sample size, the following formula was used; n=N/ (1+ N (e) ^{2}), Yamane (1967:886). Where n is the sample size, N is the sample population and e is the significance error.

Table 3.1: *Sample Frame*

Section	Population	Sample
Factory	95	57
Estate	144	88
Subordinate Staff	10	5
Total	**249**	**150**

Source: Field Data (2018)

3.5 Data collection instruments and procedure

The research relied on the use of questionnaires with most closed ended items designed in a Likert scale. However, to help clarify some issues, questionnaires contained a relatively small number of open ended items. The questionnaires used in the study had mixed items. These were used to collect data from all the respondents. Open-ended questionnaires have advantage in that they permit greater depth of response and are also simpler to formulate. Closed –ended questionnaires were used because it facilitates easier analysis, easier administration and economical with respect to time when it comes to respondents. The researcher chose this instrument because it enables him collect data from a wider population. It is also easy to use, formulate and confidentiality is upheld (Kombo& Tromp, op cit).

The questionnaires were developed and pre-tested to ascertain their reliability and validity. After coming up with a sample size, questionnaires were redistributed to the respondents who have been sampled through simple random sampling technique.

The respondents were given a period of two weeks to fill the questionnaires after which the researcher collected them for analysis.

The researcher sought permission from relevant authorities; in this case University faculty, NACOSTI and the management of Mau Tea Multipurpose cooperative society ltd. The respondents were divided into two strata to obtain two categories of research respondents; these were: the factory employees and the estate employees. Questionnaires were administered to the groups identified. Information from these samples yielded primary data which were used with secondary data.

3.6 Validity and Reliability

3.6.1 Validity

A study research instrument must be both valid and reliable. Validity is the accuracy and meaningfulness of inferences, which are based on research results (Mugenda, 2003). The validity of the instrument is acceptable if it produces consistent data. (Chava & Nachmias, 1996). For this to be achieved, selected instruments, were discussed with supervisors and fellow students in the department. During the discussion, the researcher clearly defined the variables being measured. The format of the instrument was thoroughly checked using expert opinion of the supervisor.

3.6.2 Reliability

Mugenda and Mugenda (2003) noted that reliability is the measure of the extent to which a research instrument gives consistent results or data after repeated trials. An instrument is reliable if it measures what is supposed to measure. For this to be achieved, piloting was done in one purposively selected private tea sector; a pre-test (Test-Retest method) was carried out in one of the private tea company, Kaisugu Tea Ltd. A pilot study helps to test the feasibility of the study techniques and to perfect the questionnaire concepts and modify them (Kombo& Tromp, op cit). The respondents, who were used in pre- testing duty, were not included in the second administration of the instruments. This helps to control the intervening or extraneous variables which may influence the research findings because of their prior knowledge of the data required by the instruments. The same test was re-administered shortly, three weeks, after the first administration and the two sets of scores were correlated using Karl Pearson's product moment correlation coefficient to obtain the reliability of the test. The level of significance was tested at 95% (margin Error being Ho > 0.05).

3.7 Data analysis and presentations

The obtained data were edited to eliminate the errors. They were then coded in readiness for analysis. Data analysis were done using multiple regression analysis. Multiple regression model to be used was:

Equation 1: $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$

Equation 2: $Y = \alpha + \beta_1 X_1 W + \beta_2 X_2 W + \beta_3 X_3 W + \varepsilon$

Where; Y= Employee Savings

    X1=M-Banking

    X2=Automated Teller Machine

    X3=IT Knowledge

    W=Internet Access

Analyzed information were summarized and presented using tables, frequencies, pie charts and percentages and followed by discussions. To separate responses from different sub groups so as to get their distinctive attitude, and enable analysis and discussion on account of their similarity or differences, tabulated results were cross–tabulated. Product moment correlation co–efficient (Pearson's product moment correlations) method was employed to determine the relationship between the variables.

3.8 Ethical Consideration

This study observed key principles of ethical research. It was designed, reviewed and undertaken to ensure integrity to the study. The research focused and sought to determine how internet banking on savings among low cadre employees in Mau Tea

Multipurpose cooperative society Ltd in Kericho County, Kenya subjects were informed fully about the purpose, methods and intended possible uses of the research specifically being an education research. The respondent participation in the research was fully explained. The researcher secured an introductory letter, to carry out research from Kenyatta University; the researcher obtained a research Permit from NACOSTI that enabled the study to be officially conducted. Consent was sought from the respondents after clearly explaining to them the purpose of the study. An appointment was booked with respective, County Directors and Parastatal Directors of the respective sampled target population. The confidentiality of information supplied by research subjects and the anonymity of respondents from the target public sector was highly respected as such, research participants was called upon to participate in a voluntary way, free from coercion, no harm to research participants what so ever. The independence of research was clear, and any conflicts of interest or partiality was explicit. Everyone involved in this research or process was responsible for maintaining good ethical standards. It was a good practice within this research for there was space for ethical issues to be aired. Participation in the study was voluntary and respondents were free to withdraw at their will. No any form of identification was used on the data collection tools and the completed data collection tools were kept under key and lock accessible only to the researcher. Data entered into the computer was password protected.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction

This chapter deals with data analysis,presentation and discussion. The data analysis was done with aid of an SPSS programme (version 21).Data collected for this study is presented in tabulation and where clarity is needed pie charts are used for quick interpretation of the information. This is then followed by discussion. Data used in this research was collected using structured questionnaire .This questionnaire were structured to cover.

4.2 Background information

This research sought to examine the influence of internet banking on savings among lower cadre employees in tea sector .The research was conducted in Mau Tea Multipurpose Cooperative Society Limited located in Kericho county. The general objective of the research was to examine the influence of internet banking on savings among the low cadre employed in Tea Sector. The study examined four specific objectives : To determine the influence of mobile banking on savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Limited; To establish the influence of ATM use on savings among the lower cadre employees; To examine the influence of IT knowledge on savings and to assess the effect of internet banking on savings among the lower cadre employees in Mau Tea Multipurpose Cooperatives Society Limited.

Four hypotheses guided this research. The hypotheses were stated in a null form: Mobile banking has no statistical significance on savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Limited, Automated Teller

Machines has no statistical significance influence on savings among low cadre employees in Mau Tea Multipurpose Cooperative Society Ltd, IT knowledge has no statistical significance on savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd, There is no statistical significance between internet accesses, internet banking and savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

Data was collected from 150 employees; from Estate(50%) ,factory (31.3%) and lower level clerical staff who serve in the management offices (18.7%).In total ,data was obtained from 150 employees .Employees from whom data were those between 20-25 years (24.7%) ,26-30years (19.3%),31-35years (32%) and those 41 years and above were 24.0%. This is illustrated on table 4.1 and 4.2 respectively

Table 4.1: *Arears of operations*

Area of operations	Frequency	Percent	Cumulative Percent
Estate	75	50.0	50.0
Factory	47	31.3	81.3
Management	28	18.7	100.0
Total	150	100.0	

Source: Field Data (2018)

Table 4.2: *Distribution of respondents in terms of age*

Age bracket	Frequency	Percent	Cumulative Percent
20-25	37	24.7	24.7
26-30	29	19.3	44.0
31-35	48	32.0	76.0
41 and above	36	24.0	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

It was important to take into consideration the education level of the respondents because the issue under study needes some basic knowledge or operational skills. From the study, the education level of respondents varied significantly with those of Primary level constituting 28.8%,secondary level formed 52.0%,certificate 2.7% and diploma level were 10.7% of the total respondents; a summary of this is provided on table 4.3.

Table 4.3: *Education level of the respondents*

Education Level	Frequency	Percent	Cumulative Percent
Primary	43	28.7	28.7
Secondary	78	52.0	80.7
Certificate	4	2.7	83.3
Diploma	16	10.7	94.0
University	9	6.0	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

4.3 Influence of mobile banking on savings among lower cadre employees.

In order to achieve this objective, employees were asked to evaluate how mobile banking had influence of savings. This was done by first examining how employees use their mobile banking. The findings showed that 86.7% of the respondents say they use their mobile phones for social media, 81.3% pointed out that they use their phones for making payments while 77.3% argued that they use their phones for conducting banking activities. In essence, all the respondents agreed that they use their phones for transferring funds(62.0% Strongly agree and 38.0% Agree). Table 4.4 gives a summary of this:

Table 4.4: *Use of mobile phones among the respondents*

Use of M-Phone	Response										%Total
	SA		A		UD		D		SD		
	F	%	F	%	F	%	F	%	F	%	
Social media	78	52.0	52	34.7	5	3.3	15	10.0	0	0.0	**100**
Making payment	70	46.7	52	34.7	8	5.3	20	13.3	0	0.0	**100**
Transferring funds	93	62.0	57	38.0	0	0.0	0	0.0	0	0.0	**100**
Conducting banking activities	63	42.0	53	35.3	0	0.0	17	11.3	17	11.3	**100**

Source: Field Data (2018)

When asked on usage of mobile for specific banking activities, there were varying responses with this regards. Although 77.3% of respondents had argued that mobile phones were utilized in conducting banking activities,(table 4.4 that is, 42.0% SA and 35.3 A) the aspect of savings was relatively low. For example, 31.3% of respondents argued that M-Pesa transactions were mainly common where they would send and receive money as well as making withdrawal from their accounts to their phones. The other 24.0% pointed out that their mobile phones assisted a lot in checking account balances. Most of these respondents argued that they had activated their phones to give them alert whenever their accounts are debited. This, they argued saved them the challenge of travelling to their bank branches to physically check the bank balances. Only 23.3% of the respondents were of the opinion that their mobile assisted them in savings. These had subscribed to m-shwari services which facilitated savings while 21.3% of the respondents did not utilize their phones in any form of m-pesa, balance checking nor savings. This could be attributed to the fault that a greater number of respondents earned little that could not enable them to make substantive savings.

This contradicts Wambari,(2009) who points out that every mobile handset is guarantee to handle banking transaction easily. The findings further confirms

Vaughan,(2007) findings which noted that individuals stored money in m-pesa due to safety considerations and that applications like m-pesa act as "a digital purse" The findings also confirmed those of Mbiti 7 Weil(2014) that asserted that 50% of m-pesa users preferred to receive their main income by m-pesa because of the speed and accessibility attributed to it . Table 4.5 summarises these.

Table 4.5: *Specific use of phones*

Response	Frequency	Percent	Cumulative Percent
M-pesa	47	31.3	31.3
Checking account balances	36	24.0	55.3
Specifically, for savings	35	23.3	78.7
Not applicable	32	21.3	100.0
Total	150	100.0	

Source: Field Data (2018)

Table 4.6 gives summary of findings that support the above by showing the frequency of usage of mobile devices in transactions, whereas 6.7% of respondents argued that they use their mobile daily for financial transactions ,16.7% said they use them weekly basis while 56.0% use them monthly and 20.7% never use them. Thus the largest number of respondents (56.0%) conduct financial transactions using mobile phones during end months since this is the time to check account balances, pay bills or have some savings.

Table 4.6: *Frequency of Usage*

Response	Frequency	Percent	Cumulative Percent
Daily	10	6.7	6.7
Weekly	25	16.7	23.3
Monthly	84	56.0	79.3
Not applicable	31	20.7	100.0
Total	150	100.0	

Source: Field Data (2018)

Table 4.7 below analyses reasons for mobile use. 45.3% arguing that its availability was the main reason that made them use their devices to save, 22.7% said mobile phones were reliable while 11.3% attributed the distance from their work place to banks as the main reasons that forced them to save in their phones. Thus it can be seen that convenience is what drives employees in lower cadre in tea sector to use their mobile phones for savings.

Table 4.7: *Reasons for mobile use*

Response	Frequency	Percent	Cumulative Percent
Its availability	68	45.3	45.3
Its reliability	34	22.7	68.0
Banks were far	17	11.3	79.3
Not applicable	31	20.7	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

An attempt was done to examine how mobile banking affects savings in terms of frequency of savings. A total of 69.3%(cumulative) of respondents strongly agree that mobile banking enhances the frequency of savings,32.7% strongly agree and 36.7% agree while 14.7% were undecided and the rest 16.8% did not agree with arguments that mobile phones enhance frequency of savings, 10.7% disagree and 5.3% strongly disagree. These arguments support the first argument in which the respondents had pointed out that they choose to use mobile phones because of the convenience.

Table 4.8: *Mobiles influence on frequency of savings*

Response	Frequency	Percent	Cumulative Percent
SA	49	32.7	32.7
A	55	36.7	69.3
UD	22	14.7	84.0
D	16	10.7	94.7
SD	8	5.3	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

Additionally ,50.7% of the respondents were of the opinion that the use of mobile phones influence the total amount of savings (17.3% strongly agree and 33.3% agree) only 28.7% of the respondents were undecided on this issue while 20.7% of the respondents could not see any links between mobile usage and the total amount of savings (18.0% disagree and 2.7% strongly disagree. The findings have confirmed those of Mbiti & weil (2014) which cited 2009 financial survey that approximately 26% of users were reported to be using m-pesa to save money.

Table 4.9: *Influence of Mobile on total savings*

Response	Frequency	Percent	Cumulative Percent
SA	26	17.3	17.3
A	50	33.3	50.7
UD	43	28.7	79.3
D	27	18.0	97.3
SD	4	2.7	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

For those who do not use phones for savings ,an attempt was made to establish the reasons for this. The respnse is shown on table 4.10.

Table 4.10 *Reasons for not using mobiles in Savings*

Reasons	SA		A		UD		D		SD		%Total
Frequency & Percentage	F	%	F	%	F	%	F	%	F	%	
Phones are expensive	45	30.0	25	19.3	12	8.0	55	36.7	9	6.0	**100**
Poor network cover	5	3.3	20	13.3	15	10.0	68	45.3	42	28.0	**100**
Complexity in operations	58	38.7	53	35.3	6	4.0	33	22.0	0	0.0	**100**

Source: Field Data (2018)

In the above table, 49.3% argued that phones are expensive,8.0% of the respondents were not decided,42.7% disagreed with the arguments that phones are expensive 36.7% disagree and 6.0% strongly disagreed.This should be attributed to the fact that respondents tend to associate phones with more technical applications as being able to be utilized in financial operations .This is despite the fact that even the simplest form of phones allows financial transactions as earlier on seen.A relatively smaller number of respondents (16.7% attributed their inability to utilize their phones on saving to poor network coverage. However, 10.0% are undecided on this while 73.3% disagreed with the view that poor network coverage contributes to respondents inability to utilize phone for savings.This view debanks the earlier findings of Wambari(2009) that owing to internet coverage, banking transactions cannot proceed as it suggests that a greater part of the region is covered by internet.

Additionally 74.0% of the respondents (38.7% strongly agree and 35.3% agree) argued that their inability to use phones for savings is attributed to the complexity of operating phones especially in doing financial transaction. Only 4.0% were undecided while 22.0% disagreed with this, clearly there is a tendency to fear doing financial transactions more so savings using mobile phones.

4.4: Influence of ATM on Savings

The use of ATM as a means of financial transactions was examined in this research in the context of savings .Thus the second objective of this research was to establish the influence of ATM use on savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Limited. To do this it was important to establish if the respondents own an account in which assist them in financial transactions; and since respondents were selected in purposive selective approach, all respondents

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owned accounts in banks and some in financial Sacco's. All the respondents also pointed out that they had been issued with ATM cards for accessing their accounts and utilizing in financial transaction.This is similar to the findings of Ifenyichukwu (2016) that the increasing adoption of ATM as a major payment system has impacted on banking services.

A thorough examination of the use of ATM by respondents was done and 31.3% of the resondents respondents argued that they use ATM for checking balances,44.0% pointed out that they use it for withdrawing services while 11.3% use their ATM for swiping during shopping .Only 13.3% of the respondents pointed out that they use their ATM for depositing.

These multiple use of ATM confirms those by Okoro(2014) which asserts that introduction of ATMs has increased adoption and penetration of mobile banking and internet banking.Thus ,by utilizing ATM in depositing funds, it is assured that deposits forms critical part of the savings. Given this is the scenario, it can be seen that the use of ATM Go enhance savings is relatively rated low among lower cadre employees in tea sector. Table 4.11 is a summary of this resonse

Table 4.11: *Use of ATM Cards*

Use of ATM Cards	Frequency	Percent	Cumulative Percent
Checking balances	47	31.3	31.3
Withdrawing services	66	44.0	75.3
Swiping during shopping	17	11.3	86.7
Depositing funds	20	13.3	100.0
Total	150	100.0	

Source: Field Data (2018)

This argument is supported by the frequency use of ATM among employees as shown on table 4.12

Table 4.12: *Frequency of ATM Card usage*

Frequency of ATM usage	Frequency	Percent	Cumulative Percent
Weekly	16	10.7	10.7
Monthly	112	74.7	85.3
Others	22	14.7	100.0
Total	150	100.0	

Source: Field Data (2018)

The response showed that 10.7% respondents use ATM weekly basis ,74.4% use it on monthly basis while the rest 14.7% use it occasionally in other situations clearly the 74.7% response (as using ATM monthly) could be attributed to to end month transactions (when salary is due ,for checking balances and withdrawing services which accounts for 75.3% response).

A number of factors were raised by the respondents as to why they opted to use ATM in their financial transactions.(Table 4.53 gives a summary of this). The availability of ATM was supported by 14.0% of respondents as ATM being the factor that informed their decisions, 42.0% of respondents attributed their decisions to ATM'S reliability ,2.7% Said it save time while 4.0% said it is flexible .Only 37.3% of the respondents were of the opinion that they made a decision to use ATMs because they are multipurpose.

 The smaller percentage (2.7%) of those who supported the notion that use of ATM saves time could be attributed to the fact that ATM does not eliminate the idea of crime during service delivery as compared to being served over the counter rather it only decongest the inner bank services and ATM machines as some clients may choose to execute their transactions later when the queue has reduced .Additionally when the network is down ,transactions cannot be fast as expected. It is worth noting that the efficiency of ATM service is factor of clients and efficiency in utilizing and the strength in network.

Table 4.13 :*Factors in favour of ATM use*

Factors	Frequency	Percent	Cumulative Percent
It's availability	21	14.0	14.0
It's reliability	63	42.0	56.0
Saves time	4	2.7	58.7
Its flexible	6	4.0	62.7
Multipurpose	56	37.3	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

In order to examine the general perceptions of use of ATM in financial transactions activities work was done by asking the respondents to rate ATM in terms of flexibility, accessibility and reliability .There were varied responses given by respondents regarding these issues. For example 75.3% of the respondents (34.0% strongly agreed and 41.3% argued) supported the argument that ATM is flexible for use ,12.0% were undecided while 12.7% disagreed (8.7% disagree and 4.0% strongly disagree).This observation in away supports those of Fox,(2002) which noted that consumers may be motivated to use some electronic banking technologies because of time savings and convenience.The high percentage rating here is attributed to the fact that ATM machines are user friendly. The user interface is encrypted with easy language (either Kiswahili or English) which the user can choose.

In terms of accessibility 68.7% respondents pointed out that they preferred ATM use because of accessibility (20.7% strongly agreed and 48.0% agreed) 11.3% were not sure(undecided) while 20.0% disagreed with this .Clearly, the rating also indicates most respondents owned phones which they can use to execute financial transactions in one way or another. A focus on reliability as a quality consideration, should that 73.3% of respondents expressed that view that ATM are reliable (32.7% strongly

agree and 40.7% agree).The rest 12.0% were undecided and 14.7% disagreed with this. Table 4.14 provides a summary of this information.

Table 4.14: *Specific aspects of ATM*

Reasons	Response										%Total
	SA		A		UD		D		SD		
Frequency &%	F	%	F	%	F	%	F	%	F	%	
Flexible	51	34.0	62	41.3	18	12.0	13	8.7	6	4.0	**100**
Accessible	31	20.7	72	48.0	17	11.3	30	20.0	0	0.0	**100**
Reliable	49	32.7	61	40.7	18	12.0	16	12.0	6	4.0	**100**

Source: Field Data (2018)

Additionally a relatively smaller number of respondents argued that the availability of ATM cards enhances the frequency of financial transactions (48.7%) with only 14.7% undecided and a further 36.7% not agreeing with this (28.0% disagree and 8.75% strongly disagree). Despite this the findings from this research indicates that 30.7% respondents pointed out that ATM influence total amount of savings.(13.3% strongly agree and 17.3% agree respectively).The rest 21.3% did not support the argument that ATM could influence total amount of savings ,while 48.0%held a contrary opinion that is ATM has no influence total amount of savings. Clearly, ATM use a means of enhancing individual savings is low and yet to be embraced by most clients of banks. A number arguments were advanced by respondents as challenges facing the utilization of ATM in financial transactions. These challenges are provided on table 4.15

It is important to note that although these attributes made ATM cards look more attractive, the respondents assessibly tend to use it for withdrawal purposes but not deposits. It is clear therefore that the use of ATM for deposits has not been fully embraced byemployees in lower cadre in tea sector. This could also be attributed to

the fact that deposit taking, especially in form of cash has now been delegated and taken as one of the outsourced services in the banks which have engaged most agents to offer this service. This could explain the reasons for deviations in this findings from those of Okoro,(2014) who noted that ATM were the major instruments used by the customers for the deposit in many banks Nigeria.

Table 4.15: *Challenges in using ATM*

Rating scale	Response										%Total
	SA		A		UD		D		SD		
Frequency &%	F	%	F	%	F	%	F	%	F	%	
Can be misplaced	45	30.0	61	40.7	16	10.7	25	16.7	3	2.0	**100**
Affected by network	30	20.0	53	35.3	22	14.7	33	22.0	12	8.0	**100**
Limits amount of withdrawal	53	35.3	69	46.0	12	8.0	5	3.3	11	7.3	**100**
Potentially risky	90	60.0	56	37.3	2	1.3	2	1.3	0	0.0	**100**

Source: Field Data (2018)

A greater number of respondents (70.7%) were of the opinion that ATM cards could be misplaced (30.0% strongly agree and 40.7% agree) another 55.3% pointed out that ATM usage is highly affected by network coverage while 81.3% pointed out that ATM cards limits the amount of withdrawal. Additionally, 97.3% argued that ATM cards are potentially risky if the pin number are exposed. Clearly theses are critical concerns that militate against utilization of ATM cards in financial transactions.

4.5: Influence of IT knowledge on savings

Information technology innovation has triggered a revolution in work place and more so in financial sector. The third objective of this study was to examine the influence of IT knowledge on savings among the lower cadre employees in tea sector. To do this it was necessary to find out the number of employees in tea sector who use computers and its applications. Only 9.3% of the employees interviewed owned computers and a further 24.0% could access computers in terms of the usage ,9.3% of respondents

argued that they use computers for type setting,12.0% use them for computer case,2.7% use for social media .The rest of the respondents(76.0%) did not find the question relevant .

Additionally, this could be attributed to two things ;lack of IT knowledge and its operations as the fact that a larger number of the respondents do not own computers .The findings here supports the arguments of Davis,(1989) cited by Jun wu,(2005) who asserts that consumers' acceptance of technological innovation such as internet banking may be influenced not only by their solid economic and demo-graphical characteristics, but also by their perceptions of specific technologies and characteristics of different products and services.It will be noted that this number is smaller to the group that they cannot access computers(76.0%). Tables 4.16 and 4.17 is a summary of these.

Table 4.16: *Employees who own computers*

Response	Frequency	Percent	Cumulative Percent
Yes	14	9.3	9.3
No	136	90.7	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

Table 4.17: *Employees who could access computers*

Response	Frequency	Percent	Cumulative Percent
Yes	36	24.0	24.0
No	114	76.0	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

For those who could access or own computers, they pointed out that they would use for online transaction although in rare cases. The online business transactions identified included marketing (17.3%) and paying some transactions(6.7%) only

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24.0% argued that they use their P.Cs for online fuel transactions and non-supported the view that computers could facilitate savings in their accounts, (table 4.58)

Table 4.18: *Online business transactions*

Response	Frequency	Percent	Cumulative Percent
Marketing	26	17.3	17.3
Paying some transactions	10	6.7	24.0
Not applicable	114	76.0	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

The respondents had different views when it comes to the use of computers for transactions. For instance where as 8.7% argued that they use computers because of their accessibility,79.3% pointed out that computers were not accessible.However,52.0% argued that computers were reliable while 41.3% were of a contrary opinion .Only 6.7% and 12.0% argued that computers were not reliable and not accessible respectively .In terms of computers' use in savings , 10.7% pointed out that computers usage enhances savings while 52.6% disagreed with this and 36.7% were not sure .Thus ,17.3% of respondents argued that computers use generally influences total savings but 67.4% disagreed and the rest 15.3% were undecided.This group of undecided respondents could be attributed by the perceive complexity in utilizing online financial transaction. Jun wu,(2005) argued that complexity is the degree to which an innovation is perceived to easy to understand. Rodgers(Op cit) argues that adoption will be less likely if innovation is perceived as complex. This scenario ,in response emphasize the earlier argument which showed that a greater number of respondents in the lower cadre in tea sector do not own computers(90.7%) non access computers (76.0%). Table 4.19 give these summaries.

Table 4.19: *Rationale for use of computers for transactions*

Rating scale	Response										%Total
	SA		A		UD		D		SD		
Frequency &%	F	%	F	%	F	%	F	%	F	%	
More accessible	4	2.7	9	6.0	18	12.0	92	61.3	27	18.0	**100**
Reliable	28	18.7	50	33.3	10	6.7	54	36.0	8	5.3	**100**
Enhances savings	2	1.3	14	9.3	55	36.7	59	39.3	20	13.3	**100**
Influences total savings	13	8.7	13	8.7	23	15.3	85	56.7	16	10.7	**100**

Source: Field Data (2018)

A further exploration on the use of computers showed that various challenges inhibit its usage. Most respondents (66.0%)were of the opinion that computers are expensive to acquire ,(24.75 strongly agree and 41.3% agree) and a similar number (66.0%) argued that computers are cumbersome in carrying (40.7% strongly agree and 25.3% agree).An argument that agrees with Ching & Ellis,(2004) who argued that adoption of will be driven by the perceived costs and benefits inherent in the particular innovation. The use of computers were also seen in terms of ease of use ,showed that 80.7% respondents pointed out that it is difficult to use computers for withdrawal. It implies that most respondents' employees in lower cadre in tea sector lack basic skills in use of computers for financial transactions.

This is supported by the view that lack of IT knowledge negatively impacts on frequency of savings ;a notion that was supported by 44.7% of respondents (17.3% strongly agreed and 27.3% agree).The others (70.7%) were of the view that computers are risky if wrongly used (26.0% strongly agree and 44.7% agree). Anotherissue pointed out by the respondents is that for computers to be effectively utilized, it needs supportive appliance (74.0% supporting this assertion these may include charging cables, modems among other appliances. This confirms the earlier on pointed out challenge that of computers being cumbersome (66.0%)

Table 4.20: *Challenges associated with the use of computers.*

	Response										%Total
Rating scale	**SA**		**A**		**UD**		**D**		**SD**		
Frequency &%	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	
Expensive to buy	37	24.7	62	41.3	27	18.0	21	14.0	3	2.0	**100**
Cumbersome to carry	61	40.7	38	25.3	19	12.7	19	12.7	13	8.7	**100**
Difficult to use for withdrawal	71	47.3	50	33.3	15	10.0	7	4.7	7	4.7	**100**
Risky if wrongly used	39	26.0	67	44.7	21	14.0	23	15.3	0	0.0	**100**
Needs supportive appliances	62	41.3	49	32.7	20	13.3	7	4.7	12	8.0	**100**

Source: Field Data (2018)

The findings have revealed that use of computers as a means of financial transaction is still a critical challenge in the lower cadre employees in tea sector. It is also clear that much of the use of computer lends itself to the understanding of basic IT knowledge. However ,a moderate number of respondents argued that IT knowledge influence frequency of savings among employees. This is shown by 42.7% who argue for this while 34.0% were of contrary opinion .Thus the use of PC was noted as having no positive influence on frequency of savings (79.3%).Arguably then the savings of this research has revealed that else of personal computers and IT has no statistical significance on frequency of savings. Table 4.21 is a summary on IT knowledge and use of PC and their influence on frequency of savings.

Table 4.21: *Influence of IT and PC on frequency of savings*

	Response										%Total
Rating scale	**SA**		**A**		**UD**		**D**		**SD**		
Frequency &%	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	
IT Knowledge has not influenced on frequency of savings	40	26.7	24	16.0	35	23.3	31	20.7	20	13.3	**100**
Use of PC has no influence on frequency of savings	38	25.3	81	54.0	6	4.0	25	16.7	0	0.0	**100**

Source: Field Data (2018)

4.6: The effect of Internet access on savings

The last objective of this research was to assess the effect of internet access on the influence of internet banking on savings among the respondents, out of the 150 employees sampled 108 (72%) said they use internet in their operations while 42(28%) of them claimed they did not access any internet activity needed in operations. In terms of accessing the internet, 74.7% of the respondents pointed out that they easily access internet via mobile phones while 25.3% could not. Of those who access and use internet, 20% use internet in their homes while 80% access internet in their work place.

Table 4.22: *Internet access and place of use*

Access internet phone			
	Frequency	Percent	Cumulative Percent
Yes	112	74.7	74.7
No	38	25.3	100.0
Total	**150**	**100.0**	
Place of use of internet			
Home	30	20.0	20.0
Workplace	120	80.0	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

The same research showed that the respondents use internet for various purpose. Among these are: E mail (44.7%), entertainment (22.7%), study (6.0%) and updating on current news (26.7%). This study also revealed that the use of internet varied infrequency of use with 32.7% using it daily, 38.7% weekly, more than two times a week (19.3%) and once a month 9.3%. It would be noted that the highest frequency use of internet is where respondents argued that they use in once a week (38. 7%).Tables 4.23 and 4.24 is a summary of purpose for use in internet and frequency of use respectively.

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Table 4.23: *Use of Internet*

Use of Internet	Frequency	Percent	Cumulative Percent
Email	67	44.7	44.7
Entertainment	34	22.7	67.3
Study	9	6.0	73.3
Update on current news	40	26.7	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

Table 4.24: *Frequency of Internet Use*

Frequency of Internet	Frequency	Percent	Cumulative Percent
Daily	49	32.7	32.7
Once a week	58	38.7	71.3
More than two times a week	29	19.3	90.7
Once a month	14	9.3	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

The study also examined the factors that influenced internet use as a basis of establishing if one of it was the desire to make savings. The findings showed that a greater number of respondents were influenced by colleagues to use internet banking (51.3%), whereas 27.3% were influenced by friends and the rest 21.3% were influenced by parents. This information is given on table 4.25.

Table 4.25: *Influence on use of Internet banking*

Influencers	Frequency	Percent	Cumulative Percent
Friends	41	27.3	27.3
Parents	32	21.3	48.7
Colleagues	77	51.3	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

Thus, it is important to note that financial institutions can increase the number of clients who utilize internet banking by exploring the clients approach strategy where existing clients are encouraged to recruit others.

Although the findings had quite a number of respondents pointing that they use internet, those who do not use internet cited a number of reasons for not using internet in their operations. Among the reasons cited were: No internet access (6.0%), Inability to afford internet enabled phones (49.3%), having no computer at work (13.3%), not being good at computer (0.7%), not being good at internet use (4.0%) and the cost of internet being high (11.3%). Other reasons pointed out was that of believing that internet banking is not safe (17.3%), while 4.0% argued that they had not heard of internet banking. Table 4.26 outlines some of the identified reasons why respondents could not use internet.

Table 4.26:*Reasons for not using internet*

Identified Reasons	Frequency	Percent	Cumulative Percent
No internet access	9	6.0	6.0
Can't afford internet phone	65	43.3	49.3
No computer at work	20	13.3	62.7
Not good at computer	1	.7	63.3
Not good at internet use	6	4.0	67.3
Cost of internet is high	17	11.3	78.7
Internet banking not safe	26	17.3	96.0
Not heard of internet banking	6	4.0	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

From this, it can be noted that employee inability to acquire internet enabled phones militated against internet use in general operations. The notion that internet was not safe in banking transactions was also held by a relatively higher respondent. This contradicts the findings of Martin et al., (2001) who pointed out that through Internet banking, client safety is improved by reducing the need to carry around large amounts

of cash. Such a response is expected given that the data was collected from lower cadre employees whose earnings may be relatively low compared to middle and top-level management.

Additionally, the fear in safety in using internet banking should be demystified through sensitization and security and trainings in cyber-crimes, hacking among others. The usage of internet attracts some changes in terms of bundles needed.

Thus the 11.3% respondents who had pointed that the cost if internet is high showed that given a situation where internet is free, they can use internet with 29.3% (14.0% strongly agree and 15.3% agree). There were, however, 34.0% respondents who were undecided while 36.7% who argued that even where internet is free, they can use (20.7% Disagree and 16.0% strongly disagree).

The respondents, however, were willing to utilize internet in financial operations when some conditions are met. Where free training skills on internet banking are offered, 68.0% of respondents were willing to use with only 20.0% undecided and the rest 12.0% refuting this claim. This is an indication that where IT literacy is high, the confidence of using intern et al., so increases. This research also showed that where internet use is likely to be more economical in banking transaction employees are likely to embrace its use with 88.7% supporting this (50.7% strongly agree and 38.0% agree).

Additionally, the respondents pointed out that if the security is enhanced, they are likely to utilize internet in financial transaction with 78.7% supporting it (39.3% strongly agreed and 39.3% agree). Clearly, security issues highly affect the utilization of internet in banking.

Table 4.27:*Considerations before using internet on bank transaction*

Rating scale	Response										%Total
	SA		A		UD		D		SD		
Frequency & %	F	%	F	%	F	%	F	%	F	%	
If free internet is availed	21	14.0	23	15.3	51	34.0	31	20.7	24	16.0	**100**
If free training on internet usage is provided	56	37.3	46	30.7	30	20.0	18	12.0	0	0.0	**100**
If it is more economical in bank transaction	76	50.7	57	38.0	11	7.3	2	1.3	4	2.7	**100**
If there is enough security provided	59	39.3	59	39.3	24	16.0	8	5.3	0	0.0	**100**

Source: Field Data (2018)

This is further amplified by the respondents' response when asked about use of internet in banking. Only 26.0% of the respondents argued that they use internet banking to view accounts statements, 10.0% use it to view check account balances, while a small number, 3.3% of the respondents said that they use internet in making payments and 12.7% argue that they would use it for transacting funds. The rest 48.0% could be attributed to the number who do not use internet in their phones or who do not use computers. Table 4.28 provides information on what respondents who use internet in bank transaction put emphasis on.

Table 4.28:*Function/Use internet banking among employees*

Internet Usage	Frequency	Percent	Cumulative Percent
View account statements	39	26.0	26.0
View check account balances	15	10.0	36.0
Making payments	5	3.3	39.3
Transferring funds	19	12.7	52.0
Not applicable	72	48.0	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

It was also clear that frequency of the use of internet shows the hesitance of internet in financial transactions or internet banking. The findings indicate that 31.3% use it on a weekly basis, 18.7% on monthly basis while on quarterly basis, only 20.0% are in support and 48.0% argued to the contrary. However, the frequency of use of internet does not necessary imply that the transaction is being executed. Table 4.28 is respondents view on frequency on internet use.

Table 4.29: *Frequency of use of internet in bank transaction*

Frequency of usage	Frequency	Percent	Cumulative Percent
Weekly	47	31.3	31.3
Monthly	28	18.7	50.0
Quarterly	3	2.0	52.0
Not applicable	72	48.0	100.0
Total	150	100.0	

Source: Field Data (2018)

The level of awareness of internet as facilitating m-banking was high among the respondents, (Table 4.29). This is because 88.7% of the respondents were of the view that internet enables m-banking (41.3% strongly agree and 47.3% agree) with only 11.3% being undecided. Thus, it can be concluded that awareness of internet banking is high among lower cadre employees in tea sector although this has not enhanced their utility of the service.

Table 4.30: *Internet enables M-Banking*

Response	Frequency	Percent	Cumulative Percent
SA	62	41.3	41.3
A	71	47.3	88.7
UD	17	11.3	100.0
Total	**150**	**100.0**	

Source: Field Data (2018)

A part from awareness of internet being able to facilitate M-Banking, an attempt was made to assess internet in terms of its access and how it influences online banking and

total amount of savings, Table 4.31. A total of 56.0% respondents were of the opinion that internet access enhances frequency of savings (16.0% strongly agree and 39.3% agree). This is similar to the findings of Wang, (2002) who contended that internet banking is time savings and convenience since a customer can bank seven days a week and twenty-four hours a day without physically visiting a branch, and that transactions are executed and confirmed almost immediately. There were only 30.7% who were undecided and 13.3% who argued to the contrary. The argument here is, for those who can access internet and are willing to use, it can enhance frequency of savings. This argument is further supported by 72.7% of respondents who argued that internet enables online banking with 33.3% strongly agreeing to this and 39.3% agreeing. Despite this awareness of internet availability and ability, still a relatively smaller number of respondents (cum.32.7%) supported the view that internet access influence total amount of savings of an individual. This means that despite the knowledge of internet efficiency in financial transaction, the low cadre employees in tea sector still resort to the traditional method of physically banking their savings instead of utilizing the internet enabled methods like phones and computers. These are summarized in table 4.31 below:

Table 4.31: *Influence of Internet on Banking*

Response										
Rating scale	**SA**		**A**		**UD**		**D**		**SD**		**%Total**
Frequency & %	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	
Internet access enhances frequency of savings	25	16.7	59	39.3	46	30.7	20	13.3	0	0.0	**100**
Internet enables online banking	50	33.3	59	39.3	41	27.3	0	0.0	0	0.0	**100**
Internet access influences total amount of savings	25	16.7	24	16.0	67	44.7	22	14.7	12	8.0	**100**

Source: Field Data (2018)

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A number of respondents pointed out various challenges associated with internet banking which militated against its usage. Among these are: the need for network support, limitations on the amount of operations, and the belief that where computers are use hardware support is needed.

Table 4.32: *Challenges associated with Internet Banking*

Rating scale Frequency & %	Response										%Total
	SA		A		UD		D		SD		
	F	%	F	%	F	%	F	%	F	%	
Affected by network	24	16.0	98	65.3	21	14.0	7	4.7	0	0.0	**100**
Limits the amount of operations	65	43.3	52	34.7	33	22.0	0	0.0	0	0.0	**100**
Requires other hardware	61	40.7	60	40.0	12	8.0	10	6.7	7	4.7	**100**

Source: Field Data (2018)

From the findings on table 4.32 above, 81.3%(cumulative percentage) of respondents (16.0% strongly agree and 65.3% agree) cited network support as critical factor that affect internet banking; while 78.0% (43.3% strongly agree and 34.7% agree) were of the opinion that internet banking limits the amount of operations when it comes to financial transactions. Additionally, 80.7% of the respondents (40.7% strongly agree and 40.0% agree) argued that where individuals are using computers for internet access, it requires hardware support which is a great challenge to carry around more so for employees of the lower cadre. Added to this fact is that of requiring much amount to buy accessories. This further amplifies the findings of Wang, (2002) who argued that internet banking users have to contend with the high cost of purchasing and maintaining suitable computer equipment or obtaining access to such equipment.

4.7: Testing of Hypotheses of the Research

H_{01}: Mobile Network Operations has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

H$_{02}$: ATM use has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd

H$_{03}$: IT knowledge has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

H$_{04}$: Internet access has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.

Using a computer programme known as SPSS (version 20), a multiple regression analysis involving the constructs of mobile banking, ATM and IT knowledge and savings was used to determine the actual prediction equation and show the direction, collinearity and strength of the relationship among the variables.

The assumed linear model was of the form:

$$Y = b_0 + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + e$$

Where; Y = Savings

X_1 = Mobile Network Operations

X_2 = ATM use

X_3 = IT knowledge

X4 = Internet access

b$_0$ is the constant implying the level of Savings that does not depend on the three variables investigated and b$_1$, b$_2$ and b$_3$are constants of proportionalities for mobile banking, ATM and IT Knowledge respectively.

4.8 Results for Test of Hypothesis

Results ATM = (.276), ITK = (.140), IA = (.419). The model was tested with regression analysis and findings were extracted, the regression model equation below was extracted. Results from

Summary of Hypothesis Test

$$y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

X_1 = Mobile Network Operations (MNO), X_2 = ATM use (ATM), X_3 = IT knowledge (ITK) and X_4 = Internet access(IA)

note $\alpha = \beta_0$ = *constant; Where:*

Y' = A predicted value of Y (which is dependent variable).

α = the value of Y when X is equal to zero. This is also called the "Y Intercept".

β = the change in Y for each 1 increment change in X. (X1 X2) = an X score on independent variable for which the study is trying to predict a value of Y.

X= independent variable (X, X2, X3, X4))

e = Residual or error terms (represent by e)

$$y = \alpha + \beta_1 (MNO) + \beta_2 (ATM) + \beta_3 (ITK) + \beta_4 (IA) + e$$

Y = Employee savings, α = (4.885), MNO = (.166), ATM = (.276), ITK = (.140),

IA = (.419): *Replacing the path coefficients in equations:*

y = 4.885 -.166 (MNO) +.276 (ATM) + 0.140(ITK)+ .419 (IA) + e

Table 4.33: *Regression Coefficients*

Model	Un standardized Coefficients	Standardized Coefficients	
	B	Beta	Sig
(Constant)	4.885		.000
Mobile Network Operations(MNO)	-.166	-.422	.001
ATM use(ATM)	.276	.321	.000
IT knowledge(ITK)	.140	.512	.002
Internet access(IA)	.419	.458	.003

Source: Field Data (2018)

Results from (Table 4.33) on regression model, shows that when all independent variables are kept constant on Employee savings, b = 4.885. The interaction of variables indicate that a unit increase in Mobile Network Operations caused a decrease (negative) on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd by a factor of - .166 ; a unit increase in ATM use variable would cause an increase on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd a factor of .276; a unit increase in ITK variable would cause an increase on Employee savings by a factor of .140 and a unit increase in IA would cause an increase on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd by a factor of 419. Coefficients (representing the relationships between variables) were estimated by standardizing the regression weights coefficients (Yuen 2007). Residual or error terms (represent by e) are exogenous independent variables that are not directly measured and reflect unspecified causes of variability in the outcome or unexplained variance plus any error due to measurement (Lleras 2005).

This study established that there was strong relationship between IT knowledge and Internet access on the Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd by (.601) and it also established that there was a weak effect between Employee savings and Mobile Network Operations ATM use on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd. At the same time, study by Morris et al., 2012; Venkatesh et al., (2003) indicate that in concert with on Employee savings among the lower can further moderate the relationship between Mobile Network Operations, ATM use, IT knowledge and Internet access on Employee savings.

This is because when consumers have not developed their knowledge and skills (i.e., when they have less experience), the impacts of IT knowledge and Internet access on Employee savings were more significant than when they have acquired enough knowledge or expertise about the technology (i.e., when they have more experience). The dependence on Mobile Network Operations and ATM use was greater importance to Employee savings in the early stages of technology use because as discussed earlier, they place greater emphasis on reducing the learning effort required in using new technology.

Table 4.34: *Summary of Hypothesis test*

(H_0)	Null Hypotheses	Results
H_{01}	Mobile Network Operations has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd	MNO, β= - .422(42.2 % negative), Sig.21 Null hypothesis was accepted, MNO is not a predictor to employees' savings
H_{02}	ATM use has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd	ATM, β = 321(32 %) sig .000, Null hypothesis was rejected, is a predictor to employees' savings
H_{03}	IT knowledge has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.	ITK, β= 512 (51.2%) sig 0.002, Null hypothesis was rejected, is a strong predictor to employees' savings
H_{04}	Internet access has no significant influence on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd.	(IA), β = 458(45.8%) sig .003, Null hypothesis was rejected, is a predictor to employees' savings

Source: Field Data (2018)

In a similar study Marawaynski & Pickens, (2009) found that the nature, pattern and impacts remittances were highly influenced Mobile Network Operations hence strongly affected M-Pesa application which also indirectly influenced Employee savings as users sent smaller but more frequent remittances resulting in overall larger remittances to rural areas. Marawaynski & Pickens, (2009) also noted that M-Pesa has potential of affecting savings as users would keep a balance on their M-Pesa accounts. However, this has not been examined and their observation that balances are kept does not give savings as a prime reason for utilization of M-Pesa.

Similar Study done by Sanja et al., (2014) on subscriptions to a public mobile telephone service, found out that Internet access had a significant effect on Employee savings and that it provided access to Public Switched Telephone Network (PSTN) using cellular technology, including a number of pre-paid SIM cards. Another study by Sanja (2015) while assessing speed cellular communication of M-Pesa (in Kenya) by a technique of multiple regression revealed that combination of speed cellular communication and the ability to transfer money instantly, securely, and inexpensively are together leading to enormous changes in the organization of economic activity, which impacted strongly on Employee savings.

4.9 Factor Loading, Cronbach Alpha and Anti Image Correlation on Employee savings

Results for three external variable (Table 4.35 below): ATM use , IT knowledge and Internet access on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd indicated that their factors are loaded together indicating that three variables have greater weight on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd and had strong contribution on Employee savings but Mobile Network Operations was the least performed as a predictor : (fl 0.579,α 0.690 and ai 0.63), followed by Internet access (IA) Conditions with (fl 0.702 ,α 0.710 and ai 0.690); then by Technical Operation Skill with (fl 0.6841, α 0.891 and ai 0.720).However IT knowledge (ITK) as a predictor was the best since it loaded highly hence the variable had the best weight as predictor compared to other predictors : (fl 0.978,α 0.901 and ai 0.861(Table 4.35).

The sample of partial correlation for Mobile Network Operations was not appropriate because it posted values closer to the mediocre level (Cheng, Liu and Qian, 2008; He and Lu 2007; Wu, Tao and Yang, 2007).

Employee savings but Mobile Network Operations was the least performed as a predictor: (fl 0.579, α 0.690 and ai 0.63) while IT knowledge (ITK) as a predictor was the best since it loaded highly hence the variable had the best weight as predictor compared to other predictors: (fl 0.978, α 0.901 and ai 0.961(Table 4.35)

Table 4.35: *Savings by Factor Loading, Cronbach alpha & Anti Correlation*

VARIABLES	FACTOR LOADING(fl)	ALPHA (α)	ANT-IMAGE(ai)
Mobile Network Operations(MNO)	0.579	0.690	0.63
ATM use(ATM)	0.928	0.831	0.818
IT knowledge(ITK)	0.978	0.901	0.961
Internet access(IA)	0.702	0.710	0.690

Source: Field Data (2018)

Studies by (Ramayah et al., 2010) indicate that all factors loaded together across the sampled countries, although some constructs had different amounts of influence in some samples. For example, social influence variable only emerged for the Saudi Arabia sample, indicating that this variable has greater weight on website acceptance in that country than in the other countries sampled. On the other hand, the anxiety variable did not load only for the Czech sample indicating that anxiety is not a strong influence on website acceptance in that country

Internet access conditions with (fl 0.702, α 0.710 and ai 0.690); then by IT knowledge (ITK) with (fl 0.6841, α 0.891 and ai 0.720). However, IT knowledge (ITK) as a predictor was the best since it loaded highly hence the variable had the best weight as

predictor compared to other predictors :(fl 0.978, α 0.901 and ai 0.861(Table 4.35).

The sample of partial correlation for Mobile Network Operation. This study is similar

with that done by Wang et al., 2012), which established that the Internet access

provider is an important factor in the establishment and maintenance on Financial

Employee savings. The support comes mainly from the Internet access and Mobile

Network Operation which are reliable services to ATM operations (Zhang et al.,

2015).

4.10 Anti-image Matrices Correlation

Results from (Table 4.11) of Anti-Image Matrices on iteration, the MSA on Internet

access, IT knowledge, ATM operation and Mobile Network Operational variables

extracted was greater than 0.5 hence supporting the analysis on the Correlation and

Measure of Sampling Adequacy. Results confirm the higher criteria above 0.5

(Mediocre level) supports Employee savings. Since majority of results were above the

Mediocre level. Value closer to 1suggests patterns of correlations are relatively

compact and so factor analysis should yield distinct and reliable factors Results.

Table 4.36: *Anti-image Matrices Correlation*

	MNO	ATM	ITK	IA
	. 0.63[a]	-.355	-.771	-.453
	-.355	.818[a]	.646	.297
	-.771	.646	.961[a]	.235
Anti-image Correlation	-.453	.297	.235	. 0.690[a]
	-.536	-.084	.289	.241
	.216	.109	-.140	-.354
	.175	-.051	-.173	-.113

Source: Field Data (2018)

Results confirms the effectiveness and higher criteria above 0.5 (Mediocre level) and moderate validation analysis that indicated that the ATM and ITK have strong support on the applicability on Employee savings, since their results were more than 0.7. though MNO and IA posted lower values closer to the cut off threshold, hence strongly threatening Employee savings. Similar studies done by Yi el at., (2012) argue that the inclusion of some unnecessary predictors as a tool on Employee savings, end up changing the meaning or replicate the findings.

Similar studies have also found ATM to be non-significant in predicting employee savings (See Cheng, Liu and Qian 2010; Wu, Tao and Yang 2010).

In yet another study to investigate the role played by motivation in e-learning technology adoption with ATM, Maldonado, Khan, Moon and Rho (2009) found ITK to be significant in predicting Financial savings. Cheng, Liu, Qian, Song (2008) also examined the acceptance of internet banking and found that ITK predict customers intention to use internet banking.

Study done by Al-Eqab and Ismail (2011) found that ATM operations were significant hence demonstrated that extended, timely, frequent, aggregated and savings should be particularly useful for employees to enable them to respond quickly to changing environmental and market demands. Based on this information, officers prefer to request the use of more Mobile Network Operations, ATM operations practices during employee savings. In this sense, Galani *et al.,* (2010) showed that the more the information that results from ITK were significant and of greater quality, the more it provides support for leaders to establish strategic and operational on employee savings.

In the banking sector studies was carried using DeLone and McLean model (Aburas, 2013 and Mashhour, 2008). Most of the studies were on electronic banking (Okechi, 2013; Olatokun, 2012; Andoh-Baidoo, 2010). Okechi (2013) in his study showed that ATM was the most heavily used and customers were not satisfied by the service quality of ATM, Internet access (IA) and IT knowledge should encourage their customers to use e- banking. Similar study done by Aburas (2013) found that level of information services provided to the customers was an important and critical factor to affect perceived quality. Results of study by Koo (2013) indicated that trust in IT knowledge and ATM operation was associated with customer satisfaction. In a study on satisfaction with web-based decision support systems, Bharati et al., (2004) found that main factors to impact decision making satisfaction were information quality and system quality. Similar Study done by Anu and Mukherjee (2014), carried out research and established that there is no significant relationship between IA and ATM operation r =.030, p=0.601) and it supports H1 and H2. So, this study contends that ATM influence employee sayings.

Further results from the table given above is seen that there exists a significant direct association between system quality and user satisfaction (r=0.363, p=0.000) of decision support system in the banking sector. This result support H1b and this study can say that IA positively influence user satisfaction with decision support employee savings in the banking sector.

In yet a similar statistical result by Anu and Mukherjee (2014) indicated that there is no significant relationship between Mobile Network Operations (-.101). (r=0.086, p=0.132) and hypothesis was not supported. Further results of Pearson correlation from the study show that there is a negative relationship between Mobile Network Operations and employee savings.

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CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

In this chapter, the findings of the study are summarized, conclusions are drawn and finally the recommendations for further research are outlined. The purpose of this research was to examine the influence of internet banking on savings among low cadre employees in tea sector.

5.1 Summary of findings

5.1.1 Effect of mobile network Operations

On the influence of mobile banking on savings among lower cadre employees, the findings indicated that although a greater number of mobile phones were utilized in conducting activities, the use of mobile phones for specifically savings has not been fully realized among the low cadre of employees in tea sector. The findings indicated that mobiles were used specifically in checking account balances, performing mobile transactions like withdrawing and paying for goods and services but savings were not a key priority. Where mobile phones have been used to make savings, the finding indicated that it increases the frequency of savings which eventually affect the total savings. The findings in this research showed that two factors affected the utilization of mobile phones in savings. These are: complexity in terms of operations and the cost of acquiring mobile phones.

5.1.2 Effect of ATM use on Employee savings

On ATM influence on savings, the findings showed that ATM as a strategy of enhancing savings is relatively low among the lower cadre employees in tea sector. The research showed that ATM's main function is that of withdrawing services, checking balances and shopping.

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Although some respondents noted that ATM cards were used for depositing funds, it does not imply that the nature of deposit is meant for savings as some deposits could be made to execute some payments of transactions like rent, fees and other financial transaction. The research revealed that reliability of ATM cards and the fact that they can be used for multipurpose, largely formed the major basis of respondents' choice to use.

5.1.3 Effect of IT knowledge on Employee savings

On the influence of IT knowledge on savings among lower cadre employees in tea sector, this research has revealed that insufficient IT knowledge has negatively impacted on the employee utilization of fast and efficient modes of financial transaction. Thus, utilization of accessories like computers which require IT knowledge had a relatively low significance when it comes to savings among the lower cadre employees in the tea sector.

5.1.4 Effect of savings on Employee savings

On the effect of internet access on savings, the findings indicated that accessibility of internet is critical to success of all electronic transactions. Internet affects ATM's availability and efficiency, M-pesa transactions, computer-based transactions and all the other electronic processes related to financial operations.

5.1.5 Summary of Hypothesis tests

Results show that MNO yielded, $\beta = - .422$ (42.2 % negative) which was opposite to, employees savings, basically not significant (Sig.21), its null hypothesis was accepted and alternate hypothesis failed to be rejected, hence MNO is not a predictor of employees' savings. ATM had, $\beta = 321$ (32 %) sig .000 it null hypothesis was rejected, it is a predictor to employees' savings was the best predictor of employees

saving on overall with β = 512 (51.2%), it also had a strong significant (sig 0.002) this study failed to accept its null hypothesis hence it was rejected, its therefore considered to be a strong predictor of employees' savings.

Results for IA gave slightly lower β = 458(45.8%) compared to ITK but was a strongly predictor equally with a (sig .003), it null hypothesis was rejected, ITK qualified as a predictor to employees' savings.

5.1.6 Results for Test of Hypothesis

This study established that there was strong relationship between IT knowledge and Internet access on the Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd by (.601) and it also established that there was a weak effect between Employee savings and Mobile Network Operations ATM use on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd. At the same time, study by Morris et al., 2012; Venkatesh et al., (2003) indicate that in concert with on Employee savings among the lower can further moderate the relationship between Mobile Network Operations, ATM use, IT knowledge and Internet access on Employee savings.

The dependence on Mobile Network Operations and ATM use was greater importance to Employee savings in the early stages of technology use because as discussed earlier, they place greater emphasis on reducing the learning effort required in using new technology.

5.1.7 Summary of factor Loading, Cronbach Alpha and Anti Image Correlation

ATM use , IT knowledge and Internet access on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd indicated that their factors are loaded together indicating that three variables have greater weight on Employee savings among the lower cadre employees in Mau Tea Multipurpose

Cooperative Society Ltd and had strong contribution on Employee savings but Mobile Network Operations was the least performed as a predictor better than Internet access .However, IT knowledge (ITK) as a predictor was the best since it loaded highly hence the variable had the best weight as predictor compared to other predictors. The sample of partial correlation for Mobile Network Operations was not appropriate because it posted values closer to the mediocre level (Cheng, Liu and Qian, 2008; He and Lu 2007; Wu, Tao and Yang, 2007). Mobile Network Operations was the least performed as a predictor while IT knowledge (ITK) as a predictor was the best since it loaded highly hence the variable had the best weight as predictor compared to other predictors. However, IT knowledge (ITK) as a predictor was the best since it loaded highly hence the variable had the best weight as predictor compared to other predictors. The sample of partial correlation for Mobile Network Operation. This study is similar with that done by Wang et al., 2012), which established that the Internet access provider is an important factor in the establishment and maintenance on Financial Employee savings. The support comes mainly from the Internet access and Mobile Network Operation which are reliable services to ATM operations (Zhang et al., 2015).

5.1.8 Anti-image Matrices Correlation

Results from (Table 4.3) of Anti-Image Matrices on iteration, the MSA on Internet access (IA), IT knowledge (ITK), ATM operation and Mobile Network Operation variables extracted in the analysis was greater than 0.5 hence supporting the analysis on the Correlation and Measure of Sampling Adequacy (MSA). Results confirm the higher criteria above 0.5 (Mediocre level) supports Employee savings. Since majority of results were above the Mediocre level.

Results confirms the effectiveness and higher criteria above 0.5 (Mediocre level) and moderate validation analysis that indicated that the ATM and ITK have strong support on the applicability on Employee savings, since their results were more than 0.7. though MNO and IA posted lower values closer to the cut off threshold, hence strongly threatening Employee savings. Similar studies done by Yi el at., (2012) argue that the inclusion of some unnecessary predictors as a tool on Employee savings, end up changing the meaning or replicate the findings. Similar studies have also found ATM to be non-significant in predicting employee savings (See Cheng, Liu and Qian 2010; Wu, Tao and Yang 2010). Based on this information, officers prefer to request the use of more Mobile Network Operations, ATM operations practices during employee savings. In this sense, Galani *et al.,* (2010) showed that the more the information that results from ITK were significant and of greater quality, the more it provides support for leaders to establish strategic and operational on employee savings.

In the banking sector empirical studies was carried using De Lone and McLean model (Aburas, 2013 and Mashhour, 2008). Most of the studies were on electronic banking (Okechi, 2013; Olatokun, 2012; Andoh-Baidoo, 2010). Okechi (2013) in his study showed that ATM was the most heavily used and customers were not satisfied by the service quality of ATM, Internet access (IA) and IT knowledge should encourage their customers to use e-banking. Similar study done by Aburas (2013) found that level of information services provided to the customers was an important and critical factor to affect perceived quality. Results of study by Koo (2013) indicated that trust in IT knowledge (ITK) and ATM operation was associated with customer satisfaction. In a study on satisfaction with web-based decision support systems,

Bharati et al., (2004) found that main factors to impact decision making satisfaction were information quality and system quality.

5.2 Conclusion

In Conclusion ICT innovation has revolutionized the banking sector in a bigger way and their application has led into emergence of internet banking. The research adopted case study research design, a sample of 150 selected from a population of 249 using simple random sampling techniques. Data was collected using questionnaires. Obtained data was analyzed by descriptive and inferential statistics, to examine various sub categories of data in order to make meaning out of them. Multiple regression analysis method was used in testing relationships among variables.

There was strong relationship between IT knowledge and ATM a weak effect of internet access was realized on employee savings while IT knowledge as a predictor was the best loaded compared to all other predictors in support of employee's savings. Recommendations**:** Research to employ bigger sample size to carry out further research, further research is encouraged on Mobile Network Operations to establish its poor response and low support towards employee savings on clients.

This study established that there was strong relationship between IT knowledge and Internet access on the Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd

The sample of partial correlation for Mobile Network Operation was generally the least performed. The employee saving support comes mainly from the Internet access and Mobile Network Operation which are reliable services to ATM. Results confirms the effectiveness and higher criteria above Mediocre level and moderate validation analysis that indicated that the ATM and ITK have strong support on the

applicability of Employee savings. ATM use, IT knowledge and Internet access demonstrated support on Employee savings among the lower cadre employees in Mau Tea Multipurpose Cooperative Society Ltd which indicated that their factors are loaded together.

5.3 Recommendations

Based on the findings the following recommendations are done.

Banks needs to focus on attention at a lower cadre of employees in both private and public sector who are critical mass and who are involved in daily financial transactions.

There is need for commercial banks to carry out training on basic IT knowledge in collaboration with local tea producers in order to harness the ready market of the would-be clients

There is need for commercial banks to carry out further research on Mobile Network Operations in order to establish its poor response and low support towards employee savings on clients.

5.4 Suggestions for further research

The following areas can further be explored in research in relations to influence of Internet banking:

There is need for research to employ bigger sample size to carry out further research.

A replica of this research in the tea sector could be carried out focusing on the upper cadre of employees.

A similar research can also be done in another informal sector to assess the computer literacy and how it influences employee savings.

Additionally, a research on the links between IT knowledge, internet banking and employees' livelihood could be carried out.

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APPENDICES

APPENDIX I: QUESTIONNAIRES

SECTION A: GENERAL INFORMATION

1. Your age bracket   20-25 ☐   26-30 ☐   31-35 ☐   36-40 ☐

        41 and above ☐

2. Section   (1) Estate ☐

                     (2) Factory ☐

3. Highest Education level: (1) Primary level ☐

                     (2) Certificate ☐

                     (3) Diploma ☐

                     (4) University ☐

SECTION B: M-BANKING AND SERVICE DELIVERY

i) Do you own a mobile phone? Yes ☐   No ☐

    (If Yes go to iii, if No go to Section C)

ii) If yes, is your phone internet enabled? Yes ☐   No ☐

    (If Yes go to iii, if No go to Section C)

iii) If yes what do you use the internet services for (You can tick more than once):

- Social media (whatsapp, twitter, Facebook etc) ☐

- Making payments ☐

- Transferring funds (Pay bills, Lipa na Mpesa ☐

- Conducting banking activities

  ☐

- Other, please specify: _____

iv) If using phone for banking, indicate specific usage

- M-Pesa/M-kesho/Mobicash/Eazzy pay ☐

- Checking account balances ☐

- Making ordinary bank transaction (Deposits and Withdrawal) ☐

- Specifically, for savings ☐

v) If you use it for Savings how often do you use?

Daily ☐

Weekly ☐

Monthly ☐

Others (Specify) _____

vi) If you use phone for savings what made you to choose it as a mode of savings?

- Its availability

- Its reliability ☐

- Banks were far ☐

vii) The following statements regards to the use of M-Banking as a strategy for

saving; rate them based on what you think is true/not true

KEY: SA Strongly Agree A-Agree, UD-Undecided, D-Disagree and SD-

Strongly disagree

	M-Banking	SA	A	UN	D	SD
I	Its flexible for use					
Ii	Its more accessible for use					
Iii	Its more reliable for use					
Iv	M-Banking enhances frequency of savings					
V	M-Banking influences total amount of savings					
	Challenges of M-Banking					

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I	Phones are expensive					
Ii	Poor network coverage					
Iii	Complexity in its operations					

SECTION C: USE OF ATM AND SERVICE DELIVERY

i) Do you own an account with any bank? Yes ☐   No ☐

ii) Are you issued with an ATM?   Yes ☐   No ☐

iii) If yes what do you use it for (You can tick more than once):

- ▪ Checking balances ☐

- ▪ Withdrawing services ☐

- ▪ Swiping during shopping ☐

- ▪ Transferring funds (Pay bills, Lipa na Mpesa ☐

- ▪ Depositing funds ☐

- ▪ Other, please specify: _____

iv) If you use ATM for savings through deposits, how often do you save by using

ATM services?

- • Daily ☐

- • Weekly ☐

- • Monthly ☐

- • Others (Specify) _____

v) If you use ATM for bank savings, what made you to choose it as a mode of

savings?

- ▪ Its availability ☐

- ▪ Its reliability ☐

- ▪ Saves time ☐

- ▪ Its flexible ☐

- ▪ Multipurpose (can be used in shopping) ☐

vi) The following statements regards to the use of ATM as a strategy for saving; rate them based on what you think is true/not true

KEY: SA Strongly Agree A-Agree, UD-Undecided, D-Disagree and SD-Strongly disagree

	ATM usage	SA	A	UN	D	SD
I	Its flexible for use					
Ii	Its more accessible for use					
Iii	Its more reliable for use					
Iv	ATM enhances frequency of savings					
V	ATM influences total amount of savings					
	Challenges of ATM services					
I	Can be misplaced					
Ii	Affected by network coverage					
Iii	Limits the amount of withdrawals					
Iv	Potentially risky if it falls in wrong hands					

SECTION D: IT KNOWLEDGE AND SAVINGS

i) Do you own a computer?   Yes ☐   No ☐

ii) If No can you access a computer? Yes ☐   No ☐

iii) If you own or can access a computer, what do you use it for (You can tick more than once):

- Typesetting ☐

- Computer games ☐

- Social net works ☐

- Online business transactions ☐

- Research ☐

- Other, please specify: _____

iv) If you use for online business transactions, what specific area? ☐

- ▪ Marketing

- ▪ Paying some transactions ☐

- ▪ Digitally transferring funds to my account ☐

v) If you use PC for online banking activities, do you use use it in transferring funds as a way of savings? (Tick one)   Yes ☐ No ☐

vi) If you use PC in savings of funds, what made you to choose it as a mode of savings?

- ▪ Its availability ☐

- ▪ Its reliability ☐

- ▪ Saves time ☐

- ▪ Its flexible ☐

- ▪ Multipurpose ☐

- ▪ Can do transactions 24/7 ☐

- ▪ Covers a wider region including international ☐

vii)   The following statements regards to the use of PC as a strategy for saving; rate them based on what you think is true/not true

KEY: SA Strongly Agree A-Agree, UD-Undecided, D-Disagree and SD-Strongly disagree

	PC usage	SA	A	UN	D	SD
i)	Its flexible for use					
ii)	Its more accessible for use					
iii)	Its more reliable for use					
iv)	PC enhances frequency of savings					
v)	PC influences total amount of savings					
	Challenges of using PC					
I	Expensive to acquire					
Ii	Cumbersome in carrying					
Iii	Difficult to use it for withdrawals and deposit					
Iv	Potentially risky if it is wrongly used					

V	Needs other supportive infrastructure					
Vi	IT knowledge does not influence the frequency of savings					
Vii	IT knowledge negatively affects total amount of savings					
Viii	PC has no influence in frequency of savings					
Ix	PC does not affect total amount of savings					

SECTION E: INTERNET ACCESS

a) Have you ever used the Internet?   Yes ☐   No ☐

b) If yes, do you access the internet through your phone?   Yes ☐   No ☐

c) If yes, do you access the internet through a computer?

Yes ☐   No ☐

d) If you access internet, do you use it at: *(you can tick more than one choice)*

- ▪ Home ☐

- ▪ Work place ☐

- ▪ Internet café ☐

- ▪ Library ☐

- ▪ Other, please specify

_____

i) What do you use the Internet for *(you can chose more than one answer)*?

- ▪ E-mail ☐

- ▪ Entertainment ☐

- ▪ Study ☐

☐

- Update on current news

- Banking ☐

- Other, please
  specify_____

iv) How often do you use the Internet

  - Daily ☐

  - Once a week ☐

  - More than 2 times a week ☐

  - Once a month ☐

  - Other, please specify _____

v) If you use the internet for banking, what influenced you:

  i) My friends ☐

  ii) My parents ☐

  iii) My colleagues ☐

vi) If you have not used internet banking, state why? *(You can tick more than one option)*

- I do not have Internet access ☐

- I cannot afford to buy internet enabled phone ☐

- I do not have a computer at home ☐

- I am not good at computer ☐

- I am not good at using Internet ☐

- Cost of Internet access is very high ☐

- Internet banking is not safe. ☐

- No need. ☐

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- I have not heard of internet banking ☐

- Other, please specify: _____

vii) I will engage in internet banking service if the bank offers: *(you can tick more than one choice)*

- Free Internet access ☐

- Free training skills on the use of internet banking ☐

- More economical banking transaction ☐

- Great security ☐

- Other, please specify: _____

viii)   What do you use internet banking for? *(You can select more than one option).*

- Viewing account statements ☐

- Viewing cheque account balances ☐

- Making payments ☐

- Transferring funds ☐

- Other, please specify: _____

ix) How often do you use internet banking?

- Daily ☐

- Weekly ☐

- Monthly ☐

- Quarterly ☐

- Yearly ☐

- Other, please specify: _____

x) The following statements regards to the internet access as a variable; rate them
based on what you think is true/not true

KEY: SA Strongly Agree A-Agree, UD-Undecided, D-Disagree and SD-Strongly disagree

	Internet access	SA	A	UN	D	SD
I	Enables M-Banking					
Ii	Enables online banking					
Iii	Internet access enhances frequency of savings					
Iv	Internet access influences total amount of savings					
	Internet banking					
V	Affected by network coverage					
Vi	Limits the amount of operations					
Vii	Requires another hard ware					
Viii	Internet access has no influence on frequency of savings					
Ix	Internet access positively affects total amount of savings					