An evaluation of queue management in financial institutions operating in Kenya

Author: Kithaka, Stephen Gatei

Abstract:

Financial institutions operating in Kenya are witnessing increased competition for customers, product innovation, technology, and deposits. This has resulted to increased demand for financial services. Unfortunately the financial facilities have not grown at the same rate as the demand for these services, hence a problem of queues. This calls for an efficient and effective queue management. This research project aims at evaluating queue management in financial institutions operating in Kenya. From the research findings it has been noted that those institutions which have an enhanced queue management remain competitive in customer service initiative. This is more so in Barclays which has an enhanced branch networking, telephone banking, SMS banking, BusinessMaster facility, BusinessDirect and have almost undergone full automation by installing ATMs at almost every strategic point for customer convenience. Also, training of employees and decentralization of decision-making has been enhanced. Those institutions which have not enhanced queue management are rated low by customers and they fill not satisfied with the current method of service delivery. Hence, it calls for those institutions which have not enhanced queue management to: focus towards being a world class banking professional; contribute to market leadership; consistently provide customers with added value service above and beyond their expectations; and train employees on the current method of service delivery taking into consideration the theory of queuing. Convenient sampling has been used to select a representative sample of three institutions namely: Barclays, Co-operative, and Post Bank operating in the Nairobi business district. A total of twelve branches (four branches from each institution) have been used for the purpose of this study. Questionnaires, personal interviews and observations have been used as tools to solicit information for the study. Data has been analyzing using percentages and proportions. Simple linear regression and correlation analysis have been used to test the interaction and significance of the aspects under study. This involved the use of SPSS-software package. Simple tables have been used for ease of comparison and summarization of various data.