EFFECTS OF THE INTRODUCTION OF THE ATM’S IN THE BANKING INDUSTRY IN KENYA
(Case Study of Post Bank Limited)

BY
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DECLARATION

This research project is my original work and has not been presented in any other learning institution locally or internationally.

SIGNATURE

DATE 28/07/2009

NAME ADEN IBRAHIM FAHIM

I certify that I have supervised this students' research project and the submission is hereby being made to the University Nairobi with my approval as the student's lecturer.

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DATE 6/8/2009

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ABSTRACT

The automated teller machine is a newly introduced form of electronic banking in the banking industry in Kenya. This research sought to look at the effect of the new technology both to the bank clients and employees. The research design employed both qualitative and quantitative techniques of data collection. The qualitative method used was the open ended approach whereas the quantitative method used was selecting approach responses, which included interviewing the finance, marketing, management, and banks clients.

The objective of the research was to determine both positive and negative effects of the A.T.M to staff and bank clients and determine its effect on service delivery, employee perception, risk and fraud, efficiency and customer satisfaction and relationship banking and benefits for improvement of the technology for the benefit of all stakeholders.

The study adopted descriptive survey method in order to get primary data from the management, marketing, finance departments and bank clients respectively at Post bank headquarters.

The study used purposive sampling method to ensure that all have an equal chance of being included in the sample while ensuring heterogeneity in the responses so that the results obtained would be more representative.

The instruments used for this particular research were questionnaires that were given to the finance, marketing, management and client departments. Data from other research done before was also used to help in coming up with conclusive information about this particular research. The data collected through the questionnaires was then analyzed using frequencies which were put into tables and charts format for easier reading. Descriptions were given for the tables and charts and a discussion followed.