

EFFECTS OF ORGANIZATIONAL CULTURE ON INNOVATION IN SERVICES INDUSTRY: A CASE STUDY OF POSTAL CORPORATION OF KENYA

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ABSTRACT

Effects of organizational culture on innovations in services industry form a key part of the infrastructure on communications. The postal corporation of Kenya like any other public entity has a culture that may be preventing status quo from changing yet precisely change of routine is required if organizations are to innovate and adapt to a dynamic environment. The aim of this study was to investigate the effects of organizational culture on innovation in service industry. The hypothesis was that innovation in service industry is, affected by factors as culture, leadership, skills, rewards and recognition. The sample site of the research study was Nairobi at Postal Corporation of Kenya headquarters along Kenyatta Avenue. The respondents were senior managers, middle level managers and operational staff who are employees of postal corporation of Kenya.

Descriptive research design was used and a case study approach adopted. The target population of the study was a total population of 1000 comprising 40 senior managers, 60 middle level managers and 900 operation staff. Stratified random sampling technique was used to pick a sample size of 91 respondents to carry out the study, using questionnaire and interview as tools to collect primary data while analysis was done using both quantitative and qualitative approaches.

Among the key findings of this study was that organizational culture, leadership, skills, rewards and recognition affect innovation. The study recommends that an organization must first grow to be conversant with its strategies on innovation and build up the required integration. Postal Corporation of Kenya should increase sharing of skills and awareness that creates the benefits of increased organizational awareness. The leadership of the organization has to look out for prospective motives in admirers.