

# **The effects of software project variation on product effectiveness for the Banking industry in Kenya**

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## **ABSTRACT**

The study set out to establish the effects of software project variation on software product effectiveness for banking institutions in Nairobi. The variables of the software project under study were project scope, project duration and project cost. These variables were investigated with respect to a software product owned by NLS Banking Solutions Limited. The company under study is a software consultancy firm for the banking industry in Kenya, specializing in banking software development and implementation. The general objective of the study was to find out the effects of software project variation on product effectiveness for the banking industry in Kenya with the specific objectives being to investigate the effects of project scope variations, project duration variations and project cost variation on software product effectiveness and success. The research set out to establish the effects of the company's clients' choice vary the variables under study of the software, on the intended purpose of the product and its success. The study was guided by the logical framework theory/model and a theoretical literature review was conducted with all the variables under study an empirical review. This study used a descriptive design with the use of self-administered questionnaires as instruments of data collection. The data was analyzed using SPSS and excel. As ample size of 50 respondents was selected from the population of 160 employees in the IT departments of NLS Banking Solutions clients using stratified random sampling technique. Tables, graphs and charts were used to represent descriptive statistics, and inferential statistics done through a correlation analysis with a test for significance. The study had a response rate of 96%. The results established that project scope variation has a high positive and significant relationship with product effectiveness, which showed that the more the scope varied, the more the product was seen to be effective to the client. It was concluded that scope variation has the greatest effect on product effectiveness and should therefore be properly managed to get best outcome. A recommendation was provided to NLS to package their products as customizable instead of off the shelf, and for banks to embrace software variation during implementation to get the best out

of a software product. Areas of further research were suggested as investigating further if an expanded scope, or reduced scope provides the best product effectiveness.