INSTITUTIONAL COMPETENCY MAPPING, FIRMS' CULTURE AND ORGANIZATIONAL PERFORMANCE AMONG INSURANCE COMPANIES IN KENYA

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DECLARATION

Declaration by the candidate

This thesis is my original work and has not been presented for a conferment of a degree in any other University or for any other award.

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Declaration by the Supervisors

We confirm that the work reported in this thesis was carried out by the candidate under our supervision and has been submitted with our approval as university supervisors.

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DEDICATION

This thesis is dedicated to my family: My husband David Kiritu and my children; Kevin, Juliet and Yvonne for the moral support, prayers and encouragement that they have given me while studying.

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I thank God for the courage and strength He has provided me with and for enabling me to successfully develop this thesis. Secondly, I most sincerely thank my supervisors; Dr. Gichuhi and Dr. Macharia for the constant support and positive critique of my work to ensure that it meets the required thresholds. I also thank other lecturers in the University for their willingness to assist whenever, I have called on them.

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TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

ABBREVIATIONS AND ACRONYMS

AMFI : Association of Microfinance Institutions

B2B : Business to Business

BM : Bobby Morgan

CIC : Co-operative Insurance Company

CRM : Customer Relationship Management

DEA : Data Development Analysis

El : Emotional Intelligence

EQ : Emotional Quotient

ERP **:** Enterprise Resource Planning

ESCI : Emotional Social Competence Inventory

FAR : Forefinger Auktoriserade Revisorer

IIK : Insurance Institute of Kenya

IRA : Insurance Regulatory Authority

JCAM : Job-Competency Management

JKF : Jomo Kenyatta Foundation

KNAC : Kenya National Assurance Company

KNEC : Kenya National Examinations Council

MFIs : Micro Finance Institutions

MIPS : Medical Insurance Providers

MLQ : Multifactor Leadership Questionnaire

MSEs : Micro and Small Enterprises

NACOSTI : National Commission for Science, Technology and Innovation

OCB : Organizational Citizenship Behaviour

OE : Organizational Excellence

PLS : Partial Least Square

RBV : Resource-Based View

RM : Relationship Marketing

ROA **:** Return on assets

ROE : Return on Equity

SACCOS : Savings and Credit Cooperative Societies

SEM : Structural Equation Modelling

TEIQue : Trait Emotional Intelligence Questionnaire

ABSTRACT

Kenyan insurance companies do constantly face many challenges such as mispricing of insurance policies, lack of the required human resource capacities, and changes in interest rates among others. This study sought to determine the influence of institutional competency mapping on the performance of insurance companies in Kenya. Specifically, the study sought to establish the influence of relationship management, emotional intelligence and innovativeness on the performance of insurance companies in Kenya. In addition, the study sought to determine the moderating influence of firm's culture on the relationship between institutional competency mapping and performance of insurance companies in Kenya. The study was anchored on competency theory, resource-based view theory, theory of comparative advantage, the balanced score card model and institutional theory. The research philosophy adopted was positivism. Descriptive and correlational research designs were adopted with the study population comprising all the 453 management staff in the 55 registered insurance companies in Kenya as at 28th February 2017. A sample size of 208 participants was drawn from the lower, middle, and the top level management using stratified sampling technique. Primary data was collected via semi-structured questionnaires while secondary data on organisation performance was collected using data collection sheet. Data analysis was conducted using descriptive statistics where the mean and standard deviation were determined. Multiple regression analysis and correlation analysis were used to aid in inferential analysis of the data. Results shows that most Kenyan based insurance firms undertake to map relationship management, emotional intelligence, and innovativeness among their employees during the selection process to a moderate extent. Correlation results shows that there was a significant positive correlation between organisation performance and relationship management (r=0.282; P=0.000), emotional intelligence (r=0.094; P=0.000), innovativeness (r=0.096; P=0.000) and firm's culture (r=0.840; P=0.000). The regression model results indicated that institutional competency mapping predicted 72.8 percent of the variations in performance of insurance companies in Kenya. Relationship management, emotional intelligence, and innovativeness significantly influenced firm performance. Firm's culture significantly moderated the relationship between institutional competency mapping and organization performance. The conclusion made was that relationship management, emotional intelligence and innovativeness influenced performance of insurance companies in Kenya while firm's culture significantly moderated the relationship between institutional competency mapping and organizational performance. The study recommends that management of insurance companies should cultivate, create, and maintain good rapport with stakeholders, develop programs designed to offer training and enhancement of self-awareness and promote high levels of adaptability to remain productive in the changing environment. The results of the study will be beneficial to the managers of insurance firms, their employees and the government as it shows the significance of competency mapping in stimulating performance of insurance companies in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Today's complex and cutthroat competitive environment in the insurance industry coupled with rapid technological changes and globalization has necessitated companies within the industry to seek a competitive edge against competition. Firm managers of insurance companies have, thus, put effort in establishing competences essential for greater organizational performance (Spreitzer & Porath, 2012). For this reason, competency mapping has gained significant importance in today's competitive scenario and it has become one of the avenues that human resource managers can exploit to maximize organizational performance.

Competency mapping aims at ascertaining the knowhow and competencies that are evident among employees and incorporating them in the human resource management processes (Mani, 2013). For the organization to achieve its objectives these competences will be essential. Several international firms carry out competency mapping to apprehend the skills that their employees possess and to determine the most appropriate and efficient way to utilise the skills for the benefit of both the employee and the firm. Additionally, competency mapping also helps to pinpoint the areas the employees are best at so that they can be given responsibilities in these areas to ensure their performance is at its best (Suguna & Selvi, 2013).

A competency, though yet to acquire a universally accepted definition, is viewed as a trait in form of knowledge, skills and attitudes that is needed for one to do a role or task successfully (Sanghi, 2007). A competency may also be viewed as a trait that allows one to do their responsibilities in the most excellent manner (Velayudhan &

Maran, 2013). Competencies define the how of doing a role. In other words, competencies refer to what an employee requires to perform a task successfully. Competency mapping involves identifying the skills, knowhow, and competencies among employees and using these to get the job done (Yuvaraj, 2011). In competency mapping, the traits and skills of an employee are identified. Of interest are the attributes which set apart the most outstanding employees from others, thus incorporating them in human resource management strategies.

Competency Mapping therefore identifies the main skills needed to perform a given role exceptionally well and incorporating them in the job descriptions for purposes of recruitment, promotion or even restructuring. This is regarded as the desired and the most efficient level of competency expected for the role. It is possible for a firm to have the best workers but lack of competency mapping might be an indication that they are not doing the tasks that most suits their skills and competencies (Suguna & Selvi, 2013). This is why the HR function in every firm needs to perform competency mapping and the appraisal process to make sure that employees are doing the tasks that most suits them. Competency mapping helps isolate important skills, knowhow, and attitudes that make the employees better suited for a given role. This process has helped HR professionals to know the competencies to look out for when they are recruiting for a given role (Mahmood, Mushtaq, Hussain & Khan, 2014).

Competency mapping allows an employee to be aware of his strongest and weakest traits such that the employee better understands himself and at the same time recognizes where he needs to direct his career development efforts. It is characterised by breaking down a role into small tasks and coming up with the competencies (Managerial, Technical, Behavioural and most importantly KSA’s i.e. Knowledge,

Skills and Attitudes) needed to perform the tasks exceptionally. For competency mapping to work, the different roles require to have a job description. Interviews are conducted while the skills of the interviews are noted and evaluated by immediate managers and heads of departments and this will lead to correct mapping of the employee's competencies (Naqvi, 2009). Competences are identified with the help of the different roles in the organization and might be classified in terms of innovation, relationships, strategy, emotional intelligence, risk-taking and leadership (Müller & Turner, 2010).

Competency mapping is based on emotional quotient (EQ) and emotional intelligence (EI). Strengths in these two areas that might include decision-making, leadership and team structure are also determined (Nagarajan & Jiji, 2012). Once competency mapping results have been obtained, the management is in a better position to establish the strengths and weaknesses of each employee and allocate them duties based on their strengths (Yuvaraj, 2011). As opined by the comparative advantage theory, human resource management becomes a key strategy to improve organization's performance (Laursen, 2015). Hence competency mapping needs to be incorporated into a company processes if the firm hopes to improve its employees' performance. Velayudhan and Maran (2013) earlier concluded that, from the observable trends, tomorrow's organizations will rely more on their employees' skills compared to other resources to maximize their output and remain afloat. There is a high demand for loyal employees and this is why talent management is an important process in many firms. It is also a process that helps organisations to perform better and retain their workers (Boström, 2011).

Globally, competency mapping in every industry, especially production industries, emphasizes on skill and competencies. It is mandatory for any organization aiming at improving their performance, to map the skill level of their workers. In India, organizations are also witnessing a change in systems, management cultures and philosophy due to the global alignment of Indian organizations (Gupta & Narolia, 2015). In the early 1980s, organizations and well-renowned establishments such as Harvard Business School, The Gallup Organisation, The Xerox Corporation, revealed that 39% of a customer's buying decision is based on the competency of the sales people. Organisations of all kinds face numerous performance challenges today: understand and respond to changing customer needs, support growth, improve profitability among others. In addition, Shah (2016) investigated the effect of competency mapping on a firm's effectiveness. The study was carried out on sales employees who were working in the pharmaceutical industry in Ahmedabad Region in India. The study revealed that sale employees' competencies have an impact on the effectiveness of the firm. The study recommended the need for multi skill development.

In Abu Dhabi, Mahmood et al., (2014) study on the effect competency management program had on job satisfaction concluded that there has been a very positive effect of having a competency management system on employee job satisfaction. Competency mapping is, therefore, shown to be important to the firm. An evaluation of the goal of competency mapping and its influence on organisation performance concluded that the performance of the firm is significantly affected by competency mapping (Suguna & Selvi, 2013). This is because the process helps employers to engage workers who possess the right skills. In addition, Srivastava and Bhargava (2011) on competency mapping as a strategic approach, concluded that firms can only enhance their

performance if they continually use human resource management strategies. This involves managing employees in a holistic manner from recruiting the best, coming up with strategies to retain and develop talent and giving the employees tasks that they can perform most successfully.

Regionally, Rousku (2014) noted that competence identification, assessment and development are important components of intellectual capital modelling, motivation and commitment of employees towards organization performance. Also, Viji (2016) sought to establish how employee performance is enhanced through competency mapping in IT sector and noted that IT industry, being a knowledge-based industry needs a high level of intellectual capital, which will result in improved performance of a firm. A study on the effect of competency mapping strategies on improving the efficiency of tasks concluded that a favourable association exists between work environment and competency mapping (Yasin & Ali, 2016). In addition, the study concluded that a competitive work environment and the use of competency mapping efficiency strategies improve the efficiency of performing tasks. Another study also found that career and succession planning development and better performance management may improve with competency mapping (Sinchu & Bhuvaneswary, 2015).

The capability of the employees assumes a key part to enhance overall efficiency of the organization in this dynamic business environment, where every organization is continuously assessing competency requirements of different individuals to enhance role-efficacy and provide chances for individuals to grow their capabilities for future performance potential. According to Yasin and Ali (2016) study conducted in Ghana, competency mapping and work environment have a positive correlation and that

efficacy can be enhanced or derived through providing competitive work environment and adopting the activities which enhanced the competency mapping.

Locally, there is a growing need for Enterprise Resource Planning (ERP) and opportunities presented by ERP based competencies (Wamicha & Seymour, 1999). In addition, Ntinyari (2014) indicates that a skills gap exists between employer needs and the competencies and the traits required for employability of new graduates which has far-reaching consequences for both employers and graduates. According to a study by Marucha (2012) a favourable relationship was found to exist between competitive advantage of insurance firms in Kenya and core competencies. The conclusion of the study was that proper use of employees' known competencies can sustain a firm once it has achieved a competitive advantage. Kibui, Gachunga and Namusonge (2014) while studying the effect management of talent has on the retention of workers among state corporations in Kenya concluded that workers are an important resource that can lead to the success or shut down of public firms. Nderitu (2015) delved on the relationship between core competencies and sustainable competitiveness and concluded that Co-operative Insurance Company (CIC) was able to utilise market access competencies, functionality-based competencies and integrity-based competencies as its key core competence in gaining an extended reach to its customers. However, despite the growing need for competency mapping and its management, competency mapping remains an unexplored process in many organizations in Kenya, which necessitates this study.

The Kenyan insurance industry is characterised by many service providers including insurance firms, reinsurance firms and intermediaries who includes agents, brokers, loss adjusters and risk managers (IRA, 2010). The insurance Act; Laws of Kenya,

Chapter 487 that was established in 1986 regulates the industry. Under this act the office of the commissioner of insurance was developed to ensure the regulation was even more tight under the Ministry of Finance (Ombaka, Muindi, & Machuki, 2015). The Insurance (Amendment) Act 2006 was developed on 30th December, 2006. This act came up with the Insurance Regulatory Authority (IRA) which was tasked with regulation, development and supervision of the industry. On 1st May 2007 this act was established (Magu, 2013). The industry has a professional body entitled Insurance Institute of Kenya (IIK) whose major role is to train insurance professionals. The Insurance Regulatory Authority's (IRA) role is supervision and regulation of this industry. As pointed by the Insurance Regulatory Authority (2017) there were Fifty-five (55) licensed insurance firms in the country as at 28th February 2017 although there were other players in the country that performed services related to the insurance industry.

1.2 Statement of the Problem

In recent times, the insurance industry in Kenya has been on a challenging economic stretch, registering a paltry 3% penetration rate. It is noted that although there has been a growth in insurance premiums in the last three years, the rate of growth has been on decline trajectory recorded at 4.5% in 2018 and 2.9% in 2019 (IRA, 2016). It is further noted that in 2019, claims incurred dropped by 1.3%, paid up share capital also reduced by 4.2% resulting in a 1.1% decline in shareholder's funds. At the same time, total assets reduced by 1.7% while total liabilities reduced by 2.1%. Similarly, total investments reduced by 1.7% resulting in 1.9% drop in investment income. As a result, commissions reduced by 19.0% (IRA, 2019). The challenge facing the insurance sector in Kenya is apparent in these statistics.

Consequently, this has resulted in a number of insurance companies such as Kenya National Assurance Company (KNAC), Lakestar Insurance, United Insurance, Blue Shield Insurance, Access Insurance Company, Stallion Insurance Company limited, and Concord Insurance to bow to pressure and exit the market (IRA, 2016). Researchers such as Ndura (2010), Alipour (2012), Ntinyari (2014) and Mwangi and Murigu (2015) delved on the phenomenon to show that among the reasons why some insurance companies were insolvent include, interest rates, mispriced policies, natural catastrophes, changes in legal framework and false claims by fraudulent customers aided by unscrupulous employees among others.

Though studies (Mehari & Aemiro, 2013; Almajali, Alamro, & Al-Soub, 2012; Felício & Rodrigues, 2015) indicate that most companies collapsed as a result of poor management of their employees, the role of competency mapping and its effect on company performance has not yet been explored. Competency mapping, if well adopted forms an important human resource management strategy (Almajali et al., 2012; Wambua, 2016). It is noted that organizational success depends on the competency of the human capital (Vazirani, 2010; Tripathi & Ranjan, 2010; Odondi, 2014; Mwithi, 2016; Srividya & Basu, 2015).

Much as there are studies which offer the proposition that competency mapping and human resource capacities have a relationship with organizational performance, the impact of competency mapping on Kenya's insurance industry performance remains generally unexplored. Further, as evidenced in literature, research on competency mapping in Kenya is very little. Existing studies have either used a case study or have been conducted in the developed countries. The study set out to bridge the gap in the

literature by answering the question: What is the influence of institutional competency mapping on the performance of insurance companies in Kenya?

1.3 General Objective of the Study

The general objective of this study was to determine the influence of institutional competency mapping on organizational performance of insurance companies in Kenya.

1.4 Specific Objectives of the Study

This research was guided by the following specific objectives:

i. To establish the influence of relationship management on the performance of insurance companies in Kenya;
ii. To assess the influence of emotional intelligence on the performance of insurance companies in Kenya;
iii. To analyse the influence of innovativeness on the performance of insurance companies in Kenya; and
iv. To determine the moderating influence of firm's culture on the relationship between institutional competency mapping (Relationship Management, Emotional Intelligence & Innovativeness) and performance of insurance companies in Kenya.

1.5 Research Hypotheses

This research was guided by the following hypotheses;

H_{01} Relationship Management has no significant influence on organizational performance among insurance companies in Kenya.

H_{02} Emotional intelligence has no significant influence on organizational performance among insurance companies in Kenya.

H_{03} Innovativeness has no significant influence on organizational performance among insurance companies in Kenya.

H_{04} Firm's culture has no significant influence on the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya.

1.6 Significance of the Study

The results of the study will be useful a number of actors in the insurance industry, comprising employees and the management teams of insurance companies, the government and its agencies. The outcome of the study will be beneficial to the insurance companys' management as it will help in pointing out the challenges that the employees and insurance companies face, establishing the skills necessary for a particular job, mapping the available skills that are found among the current staff and identifying other vital skills and competencies that the companies may require. The competencies and skills can be used to identify and solve human resource challenges in the insurance companies as well as to formulate suitable policies. This will assist the HRM and other associated functions to fill the vacant positions and replace positions with the right staff for the right job.

The findings of this study will also be beneficial to the insurance company employees in Kenya and elsewhere since the study will help them identify competencies and essential skills required for their work. Furthermore, employees will benefit from the findings in creating and maintaining good relations among themselves as well as with the management, and other stakeholders, for example customers. Employees will also use the findings to understand their strengths and weaknesses with regard to their job skills requirements and thus serve as a guide for future career development efforts.

Further, with the findings, the employees are better placed to appreciate organisational culture which bears substantial influence on the connection between performance of Kenyan insurance companies and institutional competency mapping.

The findings will also serve to inform the development of standard skills and competencies which are relevant for the insurance industry, thereby making the Government of Kenya through the IRA to gain. The study results will also be used by the industry regulator to develop policies that would make certain that critical positions in the industry are held by employees with essential skills and competencies so that performance is enhanced. The regulator may also enforce competency mapping process as a routine requirement among the industry players across the country.

Lastly, the results of this research will add knowledge in the available literature on competency mapping and how it influences the performance of organisations. The literature of this study will serve as a reference for those who are interested in investigating the topic further. The literature will enable them to identify existing knowledge gaps, especially in the area of competency mapping, guide subsequent research, as well as to draw conclusions for their studies.

1.7 Scope of the Study

The study sought to investigate the influence of institutional competency mapping on the performance of insurance companies in Kenya. The study was limited to competency mapping and organizational performance, which are the main constructs of the study. The study was conducted in the fifty-five (55 Kenyan based insurance companies operating under the Insurance Regulatory Authority. The study utilized primary and secondary data which was obtained in a ten year period from 2008 to

2017. The duration was deemed fit since within the period the insurance industry in Kenya experienced low penetration rate of under 3% and the collapse of several insurance companies.

1.8 Limitations of the Study

A major limitation was that the study's scope was limited to the Kenyan based insurance firms and thus the findings might be generalized to only this context. Since the factors that affect performance in the insurance sector in Kenya may be significantly unique to the country, the findings in this study may not be relevant in the context of organisations in other countries. The variables in this research may also react contrarily to contextual dynamics in other jurisdictions.

The findings in this study arose from the investigation of Kenyan insurance companies. As such, the findings are limited to the companies that were investigated and firms with similar traits. Dissimilar organisations such as agricultural based firms and banks may not find the study findings and conclusions applicable.

Descriptive and correlational research designs were employed in the study and the data for the study was collected from the insurance firms from 2008 to 2017, a period of ten years. The conclusions made in the study were thus limited to this duration and not to any other time period. Consequently, the results may not be dependable in making long-term forecasts on how institutional competency mapping relates with firm's culture and the performance of Kenyan insurance companies.

1.9 Definition of Key Terms

Competency Mapping: This is a process that is done in a systematic manner where skills, knowhow and behaviours are pointed out that can help in the effective and sustainable completion of a role (Anisha, 2012).

Competency: Described by Mani (2013) as the ability of an employee to use their behaviours, competencies, personal traits, and knowhow to successfully perform tasks, roles and responsibilities in the workplace.

Emotional Intelligence: Ability of the management of insurance companies to identify, manage and use emotions to guide decision-making **(**Nzomo, 2012; Goleman, Boyatzis & McKee, 2013).

Firm Performance: A measure of a company's outcome as measured through sales volume and profitability in terms of return on assets and return on equity (Franke, Hofstede & Bond, 1991).

Firm's Culture: Deep-rooted beliefs (assumptions, values and norms), behaviours and practices shared among stakeholders in insurance companies, which they perform without questioning (Denison, 1990).

Innovativeness: Departure from the conventional practices, systems and strategies of management and embracing new ways of management to ensure successful performance of tasks (Semadeni & Anderson, 2010).

Relationship Management: The ability of management to get the best out of the various stakeholders through inspiring and influencing them,

building and maintaining effective communication, building relationships with them and assisting them to develop, change and resolve conflicts (Axelsson & Olausson, 2007).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The current chapter reviews literature on related past studies. The review was carried out in keeping with the study objectives. The chapter also highlights theories that were used to explain the phenomenon under study, the empirical literature based on the constructs in the study, the proposed conceptual framework and the research gap summary.

2.2 Theoretical Literature Review

This section reviews relevant theories on which the study constructs were anchored. The research was based on competency theory and supported by resource-based view theory of the firm, theory of comparative advantage, the institutional theory and the balanced score card model. These theories were thus given an extensive review and the link between them and the study was established.

2.2.1 Competency Theory

Competency theory is linked to the resource-based view theory and built on the view that firms are open systems that become successful due to the strategies provided by their management and processes that allow for them to operate successfully. The model is related to Harter's (1978, 1981) who points out that organisations requires to have competency as a trait that emphasises on the need of the firm to have capabilities and resources particularly knowledge to maximize performance (Qiao, Zhang & Cheng, 2016). Teece (2010) described a firm’s competence, as special capabilities that might be in terms of technological abilities, unique assets or an organisations culture or way of doing things that provide an organisation with superior performance. To other firms, the competencies will be seen as being skilled in

providing a given product or service. These competences offer the firm in possession a competitive edge leading to superior performance.

Nowak and Collins (2012) concluded that if a competency is to be considered to provide a competitive advantage, it has to have three characteristics. First its availability should be heterogeneous in the industry. It should also be hard to buy it in the market and the last trait is that it should be hard or impossible to imitate. Oldham and Hackman (2010) divides the competencies in an organisation into transactional, allocated, administrative and technical competences. Research carried out by Foss and Knudsen (2013), Etel and Yagmurlu (2015) and Mulder (2017) have endeavoured to establish a connection between the various types of competences and superior performance.

Competency theory relates to the present research as it explains the relationship between the constructs identified in the study and the performance of companies in Kenyan insurance sector. The theory was used to explain how the performance of Kenyan insurance companies is influenced by relationship management. As is provided for in the theory, companies work as open systems which are managed and governed by management processes. Therefore, management of the relationships among the various parties and with other organisations becomes a significant factor in the determination of a firm's performance.

2.2.2 Resource-Based View Theory

The main tenet of Resource-Based View (RBV) theory of the firm is that organisations within an industry are in control of heterogeneous strategic resources (Taher, 2012). The theory was pioneered by Wernerfelt (1984; 1995) and Barney (1986) and in the modern days it has been used to look at how human resource

management affects the performance of a firm. The assumptions behind this theory includes that the resources in the industry are heterogeneous and they are immobile. Heterogeneity in this sense implies that the competencies and skills among the different organisations are different. Conversely, resource immobility entails immovability of resources from one organisation to the other in the short-run. Intangible resources that include knowledge, processes, firm culture, intellectual property, and brand are said to be immobile (Rau, 2014). Otherwise, other resources, for example physical resources, may be transferred from one firm to another.

According to Barney (2014) the assumptions of heterogeneity and immobility are not sufficient conditions for superior performance. Such resources should also be of value such that the organisation gets some value from them. They should also be rare such that they provide a unique advantage to the organisation. Further they should be inimitable implying that it would be very difficult for other organisations to create something similar to the resource. One more main trait of such resources is that of non-substitutability, which, according to Montgomery (2011) implies the absence of other acquired resources which can serve as an equivalent of the resource. If a resource is easy to imitate, then the competitor will imitate it. Therefore, though the first firm might get a competitive advantage at the start, once the resource is imitated, the competitive advantage will no longer be sustainable as the organisation will no longer have a unique resource that sets it apart (Jelavic, 2017). Additionally, the RBV explains that having essential resources and developing and using these resources in the firm allows the organisation to have a unique and a sustainable advantage. The theory looks at the association existing between the organisation's resources and its performance. It helps us to understand the reason why different organisations perform differently in an industry (Taher, 2012).

The theory postulates and supports the constructs of the present study, thus is deemed relevant. According to the theory, for resources to give a competitive advantage and superior performance to a firm, they have to be distinctive and matchless, immovable, prized, incomparable and non-substitutable. In the current study, innovativeness and emotional intelligence are taken as unique characteristics entrenched in an individual, are therefore unique, and cannot be easily replicated by competitors. This necessitates the management to conduct competency mapping. The management can determine areas of deficit and fill them up through training or externally recruiting the right employees for the right jobs. Additionally, the theory supports that for the firm to achieve superior performance, the firm resources must be unique. In the current study uniqueness may be achieved through innovation to ensure that the organisation has unique processes, knowledge and intellectual property that are not transferable to competitors. If such resources are identified through competency mapping they may be developed and maintained.

2.2.3Theory of Comparative Advantage

The theory of comparative advantage was first described by David Ricardo in 1817 (Hindley & Smith 1984). The theory's proposition is that institutions or countries which specialise in producing goods where they enjoy a lower opportunity cost then there will be an increase in economic welfare and profitability (Boström, 2011). Comparative advantage is thus a fundamental tenet of the argument that all actors, at all times, can mutually benefit from cooperation and voluntary trade. The theory is also based on the principle of international trade, Suguna and Selvi (2013) which states that the output of the system is consumed both internally and externally.

In explaining the tenets of the theory, the proponents and supporters of the arguments of comparative advantage theory suggested that the most important attribute to consider is opportunity cost, which they viewed as the potential benefit lost out when selecting another option over the other (Yasin & Ali, 2016). Consequently, in this context, comparative advantage provides that when organizations are comparing two different options, each of which has a trade-off, the option with the best overall package is the one with the comparative advantage and will earn the company optimal performance.

According to Bernhofen and Brown (2014) firms ought to specialise by using the scarce resources at their disposal in producing goods and services for which they enjoy a comparative advantage. This is because comparative advantage shows how much productive or cost efficient an activity or a process is. This view is in line with the notion that opportunity cost for one option must be lower than that of the other (Costinot & Donaldson, 2012). The company with the lower opportunity cost, and thus the smallest potential benefit lost, holds this type of advantage.

Although this theory finds wide application in helping countries and organisations to form decisions on the most appropriate course of action to reduce costs and have a comparative advantage, it has equally faced criticism based on the fact that increased specialisation may lead to boredom and kill creativity (Laursen, 2015). The theory has also been downplayed for causing diseconomies of scale resulting from over emphasis on specialisation (Costinot & Donaldson, 2012). Additionally, by accentuating what one is best at may reduce cooperation among staff members who may feel sidelined, resulting in poor performance. Further, Laursen (2015) noted that the theory focuses

on static comparative advantage as opposed to dynamic advantage which is more sustainable.

In spite of the criticisms levelled against the theory, this study still finds it applicable by supporting competency mapping which helps the company to identify the skills and competencies required to perform certain tasks and assume roles in the organisation. In respect to this theory insurance companies can determine the best places to establish their operations and identify the markets to focus on, be it general or life, in order to have a competitive advantage over their competitors. It also enables the employees to evaluate themselves in terms of strengths and weaknesses, allowing them to establish functions they can perform better. For this reason, the theory will be adopted in anchoring relationship management, emotional intelligence, and innovativeness.

2.2.4 Institutional Theory

Institutional theory looks at the processes through which structures are established and used to provide a guide on how people should behave (Hogan & Coote, 2014). The theory looks at the traits of social structure and how these traits comes about, are used, diffused and adapted by people (Fuenfschilling & Truffer, 2014). The development of the institutional theory is related to the origin of social theory. However, contemporary institutional theory was developed by Meyer and Rowan (1977) and DiMaggio and Powell's (1983). According to Meyer and Rowan (1977) in the modern world, firms are institutionalized in contexts made up of different norms, policies and professions. Therefore, most of these firms ensure that the services, policies, techniques, programs and products they offer and use are according to the institutional context so as to have legitimacy, stability and resources and also to

enhance their chances of surviving in the market. However, firms often fail to ensure that the structures they put up are efficient when it comes performing tasks.

According to DiMaggio and Powell's (1983) institutional processes are used to ensure that the firm's practices and processes are similar to those used in other firms. DiMaggio and Powell's (1983) outlined three isomorphic processes. Coercive isomorphism, which comes about from external and internal pressures arising from the cultural expectations of the environment, the government or from other firms. The other isomorphic process is mimetic isomorphism. This comes as a result of uncertainties that an organisation faces because of new technologies and marketing trends that leads the firm to adopt new practices and structures that are similar to what other organisations are doing. Normative isomorphism comes about due to the creation of new standards and cognitive frameworks that are put up by regulation bodies and other professionals in the industry. Such processes result to organisations having similar policies, structures, and practices in the long run.

Therefore, as explained by the institutional theory, firms go through pressures that they might be not be in control of. These pressures might be from the industry, regulation bodies, government or even those from the firm itself (Fuenfschilling & Truffer, 2014). According to Campbell (2007) institutional theory is necessary as it explains how firms behave in a socially responsible manner and how these behaviours come about. Notably, there are different views of firm institutionalization (Vayanos & Woolley, 2013). According to the association that exists between organisations and the interest groups, it is true that that the characteristics of the environment in which the firm exists affect the actions and goals of the firm. Based on the postulates of this theory it is deduced that the rules, norms, and routines in a firm becomes the culture

of the institution with time. The Institutional theory in this study aims to support the association between firm's culture and performance.

2.2.5 The Balanced Score Card Model

According to Kaplan and Norton (1996) the Balanced Score Card (BSC) is a performance measurement tool which converts strategy to performance measures related to the strategy. Biazzo and Garengo (2012) say that the model integrates financial measures with key performance indicators to provide the firm with an understanding of the firm's general performance. Kaplan and Norton (2001) add that the model is grounded on a matrix of measurement indicators resulting from four performance perspectives viz customer, financial, learning and growth, and internal processes.

The BSC tool's financial measure, according to Kaplan, Norton and Rugelsjoen (2010) states that for financial success of an organisation, the firm needs to meet the shareholders' demands by delivering measurables such as the financial ratios like operating profit, profit margin, return to shareholders and return on assets. This perspective has previously been used extensively to evaluate an organization's performance and there is need that it be balanced with other perspectives.

On the other hand the customer perspective focuses on the ability of an organization to meet its customers' demands. According to Tayler (2010) the customer perspective translates to measuring the time set aside for handling customer issues, for example the speed of handling orders, the speed with which queries are responded to, and the speed of handling complaints. It also evaluates how the customer orders are processed. Therefore, this perspective informs measurement of performance through sales volume since the level of sales are a function of customer relations (Shah, 2016).

It is the shareholders and customers that the internal perspective aims to satisfy. Niven (2011) says that the internal perspective does this by ensuring that the organisation picks the correct business policies and methods that would bring about their unique demands to customers. Hoque (2014) posits that the internal business policies are said to be mission oriented since it focuses on organization's general mission, support and processes which focus on repetitive tasks that employees undertake in their everyday their work. Internal business policies in this study includes relationship management which include effective communication, healthy relationship with stakeholders, understanding stakeholder requirements, healthy competition with competitors, and conflict resolution. Consequently, the internal perspective serves well in measuring sales volume, returns to both shareholders' equity and on assets.

The learning and growth perspective postulates that the organization should achieve its vision and at the same time sustain its ability to change (Northcott & Ma'amora, 2012). This perspective directs the firm on where it should spend its training fund: employee training. Employee training is supposed to be the focus so that there is improved and sustained performance. The other thing that this perspective is interested in is in creating and maintaining corporate culture attitudes, for example emotional intelligence, relationship management and innovativeness, all of which should result in the achievement of the firm's vision and strategy. Since organisational learning and growth are geared towards achieving better performance, this perspective therefore helps the researcher in providing a link between the identified competences of relationship management, emotional intelligence, and innovativeness to performance.

The theory has however been criticised for over emphasising on the internal performance and lack awareness of external factors (Biazzo & Garengo, 2012). The balanced scorecards give a broader internal focus, but does not give a full external picture. For instance, the model considers customers but fails to factor in other key performance indicators, such as competitors or changes in the business environment. The model is also time conscious in that it is long term and may not provide the desired solutions in the short run. Further, the model requires to be aligned with the strategic objectives of the company which are often conflicting (Hoque, 2014).

Yet despite these weaknesses, the model is still applicable in anchoring performance of Kenyan insurance companies as it provides several approaches which the study adopts. Performance is operationalized in this study in terms of sales volume and profitability level (return on assets and return on equity).

2.3 Empirical Literature Review

This section presents the empirical literature review covering the concepts of competency mapping (relationship management, emotional intelligence, and innovativeness), firm's culture, and organizational performance as identified in this study.

2.3.1 Relationship Management and Organizational Performance

In any business organization there are interactions between employees and other stakeholders such as customers, management teams and amongst employees themselves. Relationship management skills therefore set an employee apart from the rest in their performance. Brackett, Rivers and Salovey (2011) views relationship management as a wide range of abilities and tools to build and maintain effective communications with other people at work. The interest groups according to Brackett

et al., (2011) include customers, co-workers, employees, managers, business partners and so on. Additionally, Goleman et al., (2013) concluded that relationship management is all about interpersonal communication skills, which allows one to get to know others, build relationships with them and assist them to become better by influencing and inspiring them and to help them solve conflicts in a more amicable manner. For organizations to achieve superior performance then the employees and the management need to possess relationship management skills (Birasnav, 2014).

Axelsson and Olausson (2007) conducted a study on Customer Relationship Management (CRM) explained on the perspective of a buyer in a Business to Business (B2B) association. The study aimed at determining the efficiency of the use of CRM in a B2B setting. To achieve the study objective, a qualitative case study was used. Raw data collection was done using interviews and conceptual content analysis was used to analyse the data. The study indicated that healthy relationships among a company, its suppliers, and customers can be created using CRM. The study revealed that a positive relationship may be created through CRM. Yet the main drawback of the study was a case study whose findings were based on the study of one organization only. The scope of the research was limited to a manufacturing firm which is significantly different from the current study scope which is a service industry, insurance firms. The study was also not conducted in Kenya and, therefore suffers from applicability.

Thörnblad, Ahlmén and Jönsson (2012) conducted a research on customer relationship management where the target population were a number of speciality stores in a given industry in Sweden. The research sought to determine the relationship between commitment, trust and customer satisfaction on one hand and

word of mouth referrals and customer retention. The study was conducted on a sample of 384 participants out of a target population of 250,000. The descriptive study used a questionnaire as the instrument of research. Descriptive statistics, correlation, and regression analysis were used to analyse raw data. According to the findings, companies within the speciality stores industry can achieve word-of-mouth communication if they ensured that their customers were satisfied and the trust built due to the firm meeting the satisfaction levels of the customers improved word-of-mouth communication. Yet only the aspect of customer relationship management was dealt with in the study, ignoring the other relationships which exist within a firm. The study also ignored the role of emotional intelligence and innovativeness as key competencies that may influence a firm's performance. The study also failed to recognise the role of firm's culture on the relationship between customer relationship management and firm's performance.

Nkanda (2012) conducted a study that looked at the impact relationship marketing (RM) had on the performance of private security firms using Bobby Morgan (BM) security firm located in Nairobi as a case study. The descriptive study had a target population of 144 management staff from four business divisions of BM. Stratified simple random sampling technique was used to arrive at 43 participants. A questionnaire was the research tool used in the study and inferential statistics was used to analyse the data. The research established that RM has positive effects on the performance of BM Security Services Ltd, implying that the implementation of relationship marketing programs in the firm resulted in greater customer satisfaction, higher rate of customer retention, greater profitability and bigger market share. However, the study's results may not be generalizable to Kenyan insurance industry as it used a case study and it was limited to a private security company. Furthermore,

the study ignored other forms of relationships (for example relationship with shareholders, suppliers and employees) and their effects on the performance of a firm, and only concentrated on relationship marketing.

Ali, Habidin, Jamaludin, Khaidir and Shazali (2013) carried out a study on customer relationship management and organizational performance in Malaysian healthcare industry. The study investigated the contribution of customer relationship management to organizational performance in Malaysian healthcare industry. A survey research design was used in the study and the population for the study was drawn from the managers in the Malaysian healthcare industry. The study used primary data which was collected using a structured questionnaire. The study sample and the study variables were described using descriptive analysis such as means, standard deviations, and frequencies. To perform a statistical analysis of the data from the survey Structural Equation Modelling (SEM) technique was used. The results from the study showed that improved organizational performance in the healthcare industry is a result of technology, top management, and organizational culture. The study indicated a positive relationship between relationship management and organizational performance, but it was carried out in the healthcare industry as opposed to the current study which focused on the insurance industry. Further, in the study, patient satisfaction and employee satisfaction were the measures for organizational performance, yet in the current study organizational performance was measured through sales volume and profitability. The study thus identified conceptual, methodological and contextual gaps to be filled.

Another study by Hoseini and Naiej (2013) investigated the connection between customer relationship management and organizational performance. The study tested

a conceptual framework based on the balanced scorecard in Iranian banks. Using survey research design, the study had a sample of 480 respondents who were picked from the staff of Iranian banks. The study used regression factor analysis. In the study customer relationship management was operationalized through relationship initiation and relationship maintenance while performance was measured through indicators of financial, customer based, internal processes, learning and growth. Results of the research indicated that customer relationship management processes are associated with the banks performance. Specifically, the study found that both components of customer relationship management were significant predictors of all the performance measures. Although the findings of this study clearly showed the relationship existing between customer relationship management and banks performance, this study identified a number of gaps. First, the study only focused on customer relationship while the current study considered relationships with other stakeholders such as suppliers and competitors in addition to customers. Secondly, while Hoseini and Naiej's (2013) study was done in commercial banks, the current one is done in insurance companies. Finally, conceptualisation of performance was significantly different.

Wanjiku (2014) investigated the impact customer relationship management had on customer retention in commercial banks with the objective of analysing the customer relationship management strategies used by Kenya Commercial Bank to retain and attract new customers. Data was collected using structured questionnaires. A sample of randomly selected 44 front office employees of Kenya Commercial Bank from various branches of the bank from Nairobi region participated in the research. Both descriptive and inferential statistical analyses were used to analyse the data. The research showed that the firm had more profits and enhanced customer retention

because of frequent use of technology and brand and promotion. Further, the study revealed of the need to build lasting bonds between the financial institution and the customers. Since the research was a case study, it would not be in order to apply its findings on all the Kenyan insurance companies. The study also focused on customer relations only and disregarded other relations, for example with suppliers and employees.

Wang'ombe (2014) sought to determine the contributions of relationship marketing at Jomo Kenyatta Foundation (JKF) in Kenya. His study investigated relationship marketing and how it relates with and customer service, customer satisfaction, trust and commitment, and customer retention and loyalty. A descriptive design was adopted in the study that had a target population of 120 staff in JKF. A sample of 36 participants were identified using stratified random sampling and purposive sampling techniques. Questionnaires were used as the data collection tool and descriptive statistics was used to analyse the data. The key findings showed that relationship marketing is not used at JKF. The research only focused on establishing if relationship marketing was used at JKF and failed to establish if a relationship exists between performance of JKF and the numerous aspects of relationship marketing. Additionally, the study focused more on customer relations and failed to consider other relations such as with shareholders, suppliers and employees. This too was a case study of an organisation belonging to the printing paper and bond sector. Therefore, its results might not relate with the insurance sector.

Fernando (2015) studied customer relationship management in B2B organizations. The research aimed at providing a scenario where customer relationship management was used in B2B firms. The objective of the study was pursued by the adoption of

case analysis approach. He collected data using structured interviews and analysed it with the use of descriptive statistics. The results indicated that customer relationship management in B2B context focuses on the organizational aspects of customer relationship management. The study finds the outcome of this study relevant. The study focused only on customer relationship management, which is just one of the relationship management aspects, failing to look at other aspects such as the organization's other stakeholders, for example shareholders, employees and suppliers. The research also only focused on a B2B context and none of the business to end-user context. Further, this study's results are derived from data collected in Sri Lanka which implies that we cannot generalise the results among the insurance companies in Kenya.

Kosgei and Gitau (2016) conducted a study with the aim of examining the impact of supplier relationship management (SRM) on organizational performance. The study specifically examined the effect of trust and commitment on organisational performance. A cross sectional research design was used in the study. 82 Kenya Airways employees responded in the study. Questionnaires were used to collect primary data from the respondents and the data was analysed using descriptive statistics and regression analysis. Understanding and practicing of supply chain management with key focus on supplier relationships was found to be a key requirement for an organization to remain competitive globally and to enhance profitably in the market. In addition, there was a great opportunity for organizations to improve its performance through proper use of SRM strategies. The data for the study was got from Kenya Airways, as opposed to the data for the present study which was got from Kenyan insurance organizations. Furthermore, while the Kenya Airways study operationalized supplier relationship management in terms of trust and

commitment, the current study measured relationship management in terms of effective communication, good rapport with stakeholders, understanding stakeholder requirements, healthy competition with competitors and conflict resolution.

Kiarie (2017) investigated the influence of supplier relationship management practices on operational performance in large manufacturing organizations in Kenya. The study adopted correlational research design. The study had 594 Kenyan manufacturing companies as the target population. These firms required to have 100 million in turnover revenue or have more than 500 members of staff or have multiple branches. Simple random sampling was used to select a sample size of 60 manufacturing companies. A structured questionnaire was used to collect data which was analysed using descriptive statistics and correlation and regression analysis. The study concluded that a significant and favourable relationship did exist between supplier relationship management practices and organizational performance. This study differs with the current study because it was done in the manufacturing sector as opposed to the insurance sector, a service industry, which the current study deals with. The study also only covered big manufacturing multinational companies which are known for massive external influence from their parent companies. Again, the research only considered the listed manufacturing companies. Owing to these limitations the current study finds the applicability of the study findings limited hence not applicable to this study.

Njuguna and Mirugi (2017) evaluated how effective relationship management and service quality was on the service delivery in the airline sector. The study's objective was to determine if relationship management and quality of service had an influence on service delivery. It used a questionnaire and the data was analysed using regression

analysis. Its findings were that the quality of service has a positive effect on the delivery of service; and that relationship management positively affect the delivery of service. Again, it was found out that service processes and value and quality improvement, which are aspects of service delivery, contributed to a firm's sustainable competitive advantage. The findings of the research do relate to the current research, yet it was done in a pointedly dissimilar industry, the airline sector. The current study was done in the insurance industry. The study was also unsuccessful in showing how performance of an organization relates to its relationship management.

Amalnick and Zadeh (2017) carried out a research whose aim was to investigate what effect customer relationship management (CRM) has on organizational excellence (OE) in two main Iran international airports. Three objectives guided the research: to investigate the relationship between CRM and OE; to conduct a performance assessment from CRM and OE viewpoints and to analyse how each factor of CRM and each criterion of OE affects an organization's performance. The study adopted the path analysis method in order to examine the study objectives. The second objective was achieved through the use of the Data Development Analysis (DEA) while the third objective was achieved through the use of a t-test. From the study it was found that there is significant relationship between customer relationship management and organisational performance. Much as the study highlighted the link between relationship management and organisational excellence, its scope was limited as it concentrated only on the aspect of customer relationship management. This is unlike the present study which focuses on relationship management in general and how it affects organisation performance.

Al-Weshah, Al-Manasrah and Al-Qatawneh (2019) investigated the role of customer relationship management systems (CRMS) on Jordanian telecommunication companies' performance. Developing a conceptual model linking CRMS with performance, the study distributed questionnaires to 300 customer service employees in Jordanian telecommunication companies. Findings from the study indicates a significant effect of CRMS dimensions on the performance of Jordanian telecommunication companies. The research also concluded that each CRMS dimension has a significant effect on the performance of Jordanian telecommunication companies. It is instructive to note that the research only identified the relationship between customer relationship management systems and performance in Jordanian telecommunication companies. It never indicated how the culture of an organization influences the relationship between the variables. Again, the research was carried out among telecommunication companies in Jordanian and not in the Kenyan insurance companies which is the case with the current study.

The reviewed literature in this study indicates that the various research on relationship management are focused on customer relationship management or supplier relationship management. They have disregarded other significant relations in the organizations such as that existing between the firm and other stakeholders. The study also establishes that among the studies conducted on relationship management, most of them were linked to other variables such as relationship marketing (Nkanda, 2012), customer retention (Wanjiku, 2014; Wang'ombe, 2014), operational performance (Kiarie, 2017) and service quality (Njuguna & Mirugi, 2017). Subsequently, this research has demonstrated that there is little literature on the link between relationship management and the overall organisation performance in the Kenyan insurance

industry. Indeed, not even one of the reviewed studies have reflected the role of a firm's culture on the relationship between the study variables.

2.3.2 Emotional Intelligence and Organizational Performance

Emotional intelligence as explained by Brackett et al., (2011) is the ability to identify, manage and use emotions to guide decision-making. It may also be viewed as the ability to understand emotions. By assimilating emotions in one's thoughts one is able to understand and control their emotions. The emotions are made up of feelings such as of pleasure and pain and often operate on interpersonal and intrapersonal states. According to Watson (2000) emotional intelligence significantly plays a role in personal career development and personal motivation that leads people to act and control their actions. This argument means that managers should understand their employees' emotional intelligence as this has a bearing on how they handle individual needs, how they motivate and make their employees to feel comfortable, and thus increase the performance of the organization.

A study by Birgit (2010) which was based in Namibia investigated the association between emotional intelligence and leadership among middle managers in that country. The study aimed at looking into traits of emotional intelligence and if these had any impact on the middle managers' leadership styles. The leadership styles that the researcher considered included laissez faire, transitional and transformational. The sample of this study were 148 middle-level managers. To quantify emotional intelligence, the researcher used the Trait Emotional Intelligence Questionnaire (TEIQue) while leadership style was measured with the help of Multifactor Leadership Questionnaire (MLQ). The results showed that most Namibian middle managers use the transactional style of leadership. Secondly, the study indicated that

there was no significant association between transactional leadership and emotional intelligence. Yet it was found that there was a positive significant relationship existing between emotional intelligence and transformational leadership. A negative association was found between laissez faire leadership and emotional intelligence. In the study only the relationship between the leadership style and emotional intelligence was identified, yet the study did not show the existing relationship between emotional intelligence and the performance of a firm. In addition, the research did not consider the influence of firm's culture on the relationship between the variables. Again, the research was carried out in organizations in Windhoek, which is not the case with the current study that was carried out among Kenyan insurance companies.

Rahim and Malik (2010) investigated the effect of emotional intelligence on organizational performance in the banking sector. His research was carried out in Peshawar and Islamabad in Pakistan where he targeted a sample of 250 middle-level managers who were working in different Pakistani banks. Primary data was collected using structured questionnaire. Interviews were also conducted when it was necessary in order supplement the incomplete responses. The study used regression analysis to establish the relationship between the dependent and independent variables. Apart from emotional intelligence and organizational performance, other variables which were also evaluated as determinants of emotional intelligence were age, gender, marital status and education level. Overall, the study established that emotional intelligence significantly affects organizational performance. The research found that female employees are more emotionally intelligent than their male counterparts. The other result was that the age of the male and female employees have inverse relationship with the emotional intelligence. In addition, it was also found that emotional intelligence level increases with an increase in the level of education. The

study concluded that employee satisfaction is directly related to their performance in the firm. This study depended on primary data only yet the current study was based on both primary and secondary data. Further, while Rahim and Malik's (2010) research utilised only regression analysis, the current research relied both on correlation and regression analysis to make inferences. Thus there are methodological gaps in this study. There is also the contextual gap as the study was done in Pakistani banking sector while the current research was carried out in Kenyan insurance companies.

A study on how Emotional Intelligence (El) relates with leaders in Chinese was done by Li (2012). The study targeted four different ranks of employees; the executives, department managers, supervisors and non-management employees. Wong's EI Scales were sent to the respondents to get their El scores. In the study data was collected using questionnaires and structured interviews. It was found that the level of leadership position was directly proportional to the level of El. Besides, the level of El was also connected with the age, work experience, and the educational background. However, El had little connection with gender. Indeed, the research determined the presence of El in leadership but did not account for the relationship between EI and performance in an organization. In the study, different from that of the current one, AI was operationalized using Wong's Emotional Intelligence Scales and Emotional Social Competence Inventory (ESCI) respectively. Again, the former research was carried out in China while the later was based in Kenya

Nzomo (2012) investigated the nexus between the emotional intelligence of school principals and learning achievements of students. Public secondary schools in Nairobi, Kenya, were used to collect the data for the study. In this study learning achievements included academic performance in the Kenya National Examinations

Council (KNEC) exams and co-curricular activities. The research adopted a correlation design. Purposive sampling helped to choose a sample of 294 respondents made up of 35 principals, 35 deputy principals and 224 heads of departments. An adapted Emotional Competence Inventory questionnaire was used to collect data. Data was then analysed using inferential and descriptive statistics. The study revealed a significant relationship between the principals' emotional intelligence and students' academic achievements in both examinations and co-curricular activities. However, the same was not found in county secondary schools. The findings also showed no significant relationship between the principals' emotional intelligence and their professional qualification, gender, and length of service. The study was based in the education sector, which is different from the current one which has focused on Kenyan insurance companies. Further the study ignored other competences such as relationship management and innovativeness as key determinants of firm's performance. The study did not show how emotional intelligence relates to an organization's culture and performance.

Acha (2013) did a research looking at the relationship between a leaders emotional intelligence and employee motivation to job performance. The study aimed at determining the association between the emotional intelligence of a leader and motivation on the employees under him. The study that was based in the United States sampled 350 employees of a federal government unit who worked at different departments in the agency. The researcher used Emotional Social Competence Inventory (ESCI) to measure emotional intelligence. He used the Four Drive (4-D) instrument to establish employee motivation. The study found a positive relationship between the study variables. The results of the study are relevant because they concluded that performance is affected by emotional intelligence. The same result was

the expected outcome in the current study. Since the research was carried out in a United States federal government agency with a context considerably different from the Kenyan insurance industry, it cannot be generalized. The study was a case study, different from the current research which covered all insurance companies in Kenya registered with IRA.

Mwathi (2013) carried out a research to investigate the relationship between job performance and emotional intelligence. The Kenyan based study used rehabilitation schools service providers as the target population. The research used a correlational research design. A sample of 81 service providers from a target population of 103 service providers in rehabilitation schools was obtained by way of a stratified proportionate sampling. Pearson Product Moment Correlation was used to quantify the relationship between the study variables. The results concluded that there was a moderate and positive relationship between emotional intelligence and job performance. Yet the research failed to show the relationship between emotional intelligence and overall organizational performance, as well as acknowledge the moderating role of an organization's culture in the relationship between the variables. Furthermore, the research was carried out in rehabilitation schools, institutions that in their operations considerably differ from insurance companies.

In a study on emotional intelligence and organizational performance, Kalaiarasi, Amaravathi and Soniya (2015) used judgmental sampling to select 55 employees at the managerial level in a cycle manufacturing industry in Tamilnadu. The study used primary data that was collected using a structured self-assessment questionnaire. The statistical tools that were adopted to analyse the data included descriptive statistics, correlation statistics and regression analysis. Results showed a positive relationship

between EI and job performance. Because the conclusions of the study were entirely dependent on primary data collected from a manufacturing sector, they may not be generalizable to the current study's context. In the study, organizational performance was conveyed as a function of employee job performance measured through efficiency and effectiveness on job performance. In the current study performance was conceptualized as a function of sales level, return on assets, and return on equity.

Omondi (2016) carried out a research at the Kenya Post Office Savings Bank in which he investigated the influence of manager's emotional intelligence on employee job satisfaction. Descriptive survey was used in the study. The study population consisted of all the 133 employees located in the banks' Nairobi region branches. Using a structured questionnaire, data was obtained from employees in the bank's Nairobi region. The data was described using descriptive statistics and inferential analysis. The manager's emotional intelligence was found to have a significant and strong relationship with employee job satisfaction. This finding was found to be relevant to the current study but the research made no deduction between emotional intelligence and a company's performance. The research was a case study which also focused on the banking sector, and as such its findings could not be generalised to the current study.

Shafiq and Rana (2016) examined the relationship between emotional intelligence and organizational commitment of college teachers in Pakistan. The study adopted a descriptive survey and targeted 494 college teachers. To test the research hypotheses, the study used the Pearson Product Moment Formula and regression analysis. The research found a significant relationship between emotional intelligence and organizational commitment. There were also significant positive relationships

between EI and the three components of organizational commitment denoted by affective, continuance and normative commitment. In that research organisational commitment of teachers and organisational performance were the dependent and independent variables respectively. Again, the respondents of the study were college teachers in Pakistan yet the context of the current research is insurance companies in Kenya. It therefore means that the findings of the study cannot be generalised in the current study.

In a research which set out to explore how emotional intelligence relates to organizational competitiveness, Ugoani (2016) reveals a strong positive relationship between emotional intelligence and organizational competitiveness. A survey research design was adopted in the research and it targeted a population from Abia State, Nigeria. A simple random technique was used to select 352 respondents, 197 males and 155 females. Both primary data (collected via questionnaire) and secondary data (collected via secondary data collection sheet) were utilised. Primary data were analysed using Chi-square statistical technique. In the case of this study a strong relationship is shown between emotional intelligence and organizational competitiveness, yet in the study performance is measured in terms of competitiveness. On the other hand, in the current study the performance is measured in terms of terms of sales volume and profitability. Thus a conceptual gap does exist. Likewise, in the study Chi-square test was used in the study to arrive at the conclusions, yet descriptive, correlation and regression analysis is used in the current study. Further, the researcher conducted a survey of Abia State which the study finds not to be in-depth. This illustrates that a methodological gap exists. Again, the research was carried out in Nigeria while the current study was carried out in Kenya, showing clearly a contextual gap.

A research which sought to investigate the relationship between organisational learning and adaptive performance was done by Pradhan, Jena and Singh (2017). The research also aimed to establish the moderating role of emotional intelligence in the perspective of organisational learning for addressing adaptive performance of executives employed in manufacturing organisations. The study respondents were selected through purposive sampling. Data were analysed through structural equation modelling using linear structural model. Moderated regression analysis was carried out through a series of hierarchical models to test the hypotheses. A significant relationship between organisational learning and adaptive performance was found. The study also found that there was a significant moderation effect in the interaction graph; the relationship between organisational learning and adaptive performance was stronger among the executives with high levels of emotional intelligence and weaker for those having low levels of emotional intelligence.

A study to establish the direct and indirect effect of emotional intelligence on the performance of the employee through Organizational Citizenship Behaviour (OCB) was carried out by Supriyanto, Ekowati and Masyhuri (2019). The study adopted the Partial Least Square (PLS) on a target population comprising of 50 respondents. The research concluded that employee performance is both directly and indirectly affected by emotional intelligence. The research showed that through OCB employee performance can indirectly be increased by emotional intelligence. Only the relationship between emotional intelligence and employee performance was examined in this research, overlooking the role of an organization's culture. Unlike the current study, the research only investigated employee performance.

Emotional intelligence is a topic that has been widely researched. Researchers have focused on it's the variables which relate to the subject such as employee motivation (Acha et al., 2013), leadership style (Birgit, 2010), job performance (Mwathi, 2013), job satisfaction (Omondi, 2016), and academic performance (Nzomo, 2012). Yet the current study has noted that previous scholarship has hardly focussed on the organization's culture as a moderator in the relationship between the variables. A review of literature also revealed that many these research have been carried out in the education, and banking sectors. Furthermore, there is little literature on the relationship between emotional intelligence and an organization's performance. The current study, therefore, sought to fill the gap by determining the relationship between institutional competency mapping, firm's culture, and organizational performance in the Kenyan insurance industry.

2.3.3 Innovativeness and Organizational Performance

For the last twenty years, innovation has been extensively studied. Many scholars have tried to come up with a definition of innovation, how it has performed in different sectors and its impacts in these sectors (Gunday, lusoy, Kilic & Alpkan, 2011). Innovation gives the organisation a strategy that they can use to solve existing challenges in the firm in order to achieve superior performance. Innovation does not only relate to products but it also relates to the firm and how it markets itself. According to Kuratko, Hornsby and Hayton (2015) the four types of innovativeness are organizational, process, product and marketing innovation. Innovation is important as it gives an organization a unique competitive advantage that allows it to stay ahead of competitors, both regionally and globally. For example, Hall (2010) noted that innovative organisations are often characterised by high revenue due to high productivity compared to organisations that are not innovative hence

innovativeness becomes a core competency for organizational performance to be maximized.

A study on the role value-informed pricing plays in market-oriented product innovation management, Ingenbleek, Frambach and Verhallen (2010) sampled 144 organizations and collected data from their managers. The participants of the study had been involved during the making of a decision related to pricing a new product. The results of the research showed that value-informed pricing significantly impacted the performance of the new product. Results also showed that firms with a strong customer orientation often went for value-informed pricing and the results were beneficial not only to the firm but to their customers too. Value-informed pricing and product advantage have a positive effect on the performance of the product in the market. The research focused on product innovation and not innovation in management; neither does it show the relationship between innovation and an organization's performance.

The follower's dilemma: innovation and imitation in the professional services industry was the subject of Semadeni and Anderson's (2010) study whose focused on information-based imitation model. This model helped the researchers look at the organisations and their characteristics that influenced them to imitate others during conditions of risk and informational asymmetry. Data for the study which was collected over a period of 11 years was from a study population 50 management firms. The research results showed that the innovative traits of organizations enhanced imitation and, conversely, offering level traits lowered imitation. In addition, different results came about due to the interaction of offering-level traits and organisation level traits. Yet the research only focussed on the relationship between organization and

offering-level characteristics influencing imitation in an organization. The research was also carried out in professional services industry, as opposed to the current study which was based in the insurance industry. As well, the research did not show how innovativeness and an organization's performance relate.

Walker, Damanpour and Devece (2011) in a study on management innovativeness and organizational performance and the mediating effect of performance management showed that the impact of management innovativeness on organizational performance is not direct but it is mediated by performance management. The study further revealed that performance management positively affects organizational performance. The study adopted a survey research design based on English local governments or authorities. 139 unitary and upper tier authorities were surveyed. The study utilised secondary data collected from multiple sources such as UK census data, English local government, and Audit Commission reports. Descriptive statistics and correlation analysis were used in analysing data. In the study, core organizational performance was measured using service performance score. Management innovativeness was measured through employees' perception towards new management practices and techniques, administrative innovation and IT innovation. The research provided abundant insights on the nexus between management innovation and organizational performance. Yet it was based in the public sector, different from the current study which was carried out in the predominantly private sector insurance companies. The research was also conducted in England, a developed country, and the current study was conducted in Kenya, a middle income and a developing country.

Rouwmaat's (2012) study was on innovation and imitation barriers. Its objective was to explain the relationship between imitation barriers set up and the different

resources found in given innovation contexts. The focus of the study was on the innovations development and diffusions. It employed a multiple-case study analysis research design and its sample was randomly selected. The sample was made up of ten cases where a firm came up and commercialised a process innovation. The data collection tool was a questionnaire. According to the study, there was an association between the orchestration of resources, existing imitation barriers and the context of process innovation. However, this relationship is nuanced and it is different according to each case. The traits of an organisation impact the coordination of resources in the organisation. The coordination of these resources further affect the generation of barriers to imitation. Finally, the association between the coordination of the firm resources and the imitation barriers in the firm are influenced by innovation traits and the micro and macro factors affecting the firm. While in this study innovation was treated as a dependent variable, in the current study it was considered as an independent variable. Yet the study did not show the relationship that exists between innovative management and an organization's performance.

Mugo (2012) investigated the effect of financial innovation on the growth of micro-finance institutions in Kenya. The research used a survey design and involved all the thirty-four registered Micro Finance Institutions (MFIs). Data collection was done using questionnaire and analysed using correlation analysis. The research findings revealed that many of the MFIs had taken up innovative strategies including partnerships, mobile banking, SME loans, business accounts, school fees loans and offering financial training. Others had set up new branches, networked with others and came up with innovative products to enhance development. The study established that use of financial innovation by MFIs enhanced the development of the organizations. The research focussed on financial innovation and ignored other

aspects of innovation, for example product, process and management innovation. Moreover, the findings of the research may not be applicable to insurance companies because it concentrated only on MFIs.

Do (2014) studied strategic management of innovation within SMEs. The study aimed at determining how SMEs managed innovation and the factors that helped them get the expected returns. The descriptive study used descriptive statistics and a linear regression analysis to analyse the collected data. According to the results, strategies used for the management of innovation included commercialisation, organisation culture, management of portfolio and having an innovation strategy which gave the SMEs confidence over the anticipated returns. The results of the research indicated that young and small SMEs were more likely to use radical innovativeness and, on the other hand, bigger firms often opted for incremental innovativeness. This led the latter group to have less confidence when it came to the returns they expected to get. Bigger organisations used formal commercialisation methods for their innovativeness although they had lower returns. The research concentrated on SMEs and mainly examined the systematic management of innovation in young and small firms, and in mature firms based on their anticipated returns. The study therefore failed to show the effect of innovation on firm's performance. The study also ignored other competencies such as relationship management and emotional intelligence as essential determinants of anticipated returns.

A research on the influence of innovation on small and medium enterprise (SME) growth based on garment manufacturing industries in Nakuru County was also carried out by Mwangi and Namusonge (2014). The research examined the influence of technological, product and process innovations. It used a cross sectional descriptive

survey and targeted a population composed of management staff such as heads of research and development, sales and marketing and manufacturing departments. The research was carried out in nine garment manufacturing businesses in Nakuru County. Stratified random sampling technique was used to select forty six (46) respondents. Structured questionnaires of five likert form questions were used to collect the data. Descriptive statistics was used in analysing the data. The research concluded that there is a strong positive correlation between innovation and growth of businesses. Yet the study cannot be generalised as it was based on small and medium enterprise firms in Nakuru County while the current study was based on Kenyan insurance companies. Further, the research related innovativeness to business growth while the current study focused on business performance.

In another study Wanjiku (2014) investigated the relationship between innovation and performance of Micro and Small Enterprises (MSEs) in Kiambu Town. This was a descriptive research which had a population comprising the licensed MSEs in Kiambu Town. It used a semi-structured questionnaire to collect the data. Descriptive statistics was used to analyse the data. Its findings indicated that process, product, positioning and paradigm types of innovation had a positive relationship with the performance of some business types of the MSEs in Kiambu Town. Since the research was carried out among MSEs in Kiambu Town, its findings are limited to Kiambu Town and may not be applicable to all the Kenyan insurance companies.

In another research conducted by Hussein, Omar, Noordin and Ishak (2016) the study objective was to assess the level of organizational performance and organizational innovativeness among the academicians in Malaysian PIHEs. It also sought to evaluate the influence of organizational innovativeness on organizational performance

using correlation and multiple regression analyses. The study targeted 88 academicians taken from various public universities in Peninsular Malaysia. It found that the highest correlation was between organizational innovativeness and organisational performance. This study was based in the education sector of Malaysia and, therefore, its findings cannot be inferred to a study conducted on insurance companies in Kenya.

A research examining knowledge management practices' contribution to overall organization performance and innovativeness was carried out by Bari, Fanchen and Baloch (2016). Its target population was 102 employees from 20 software houses of Pakistan. The results indicated that a weak positive relationship was realized between knowledge innovativeness and organization performance. The research is applicable to the current study, yet its findings cannot be generalized to the current study because it was done in Pakistan, as opposed to the current study which was conducted in Kenya.

Musya (2016) also investigated Savings and Credit Co-operative Societies (SACCOS) in Mombasa County, Kenya to identify the determinants of innovation strategies. A questionnaire was used in the research to collect data. The data was analysed using descriptive statistics and factor analysis. The conclusion of the research was that top leader influence, organization structure and resource, and industry competition factors are the main determinants of innovation strategies that influence innovation at managerial, organizational, and environmental levels respectively. The study sought to establish the determinants of innovation strategy yet it never showed the relationship that exists between innovation and an organization's performance. Further, the research never considered other forms of competencies, for example

relationship management and emotional intelligence as essential factors in an organization's performance.

Kiveu (2017) studied how innovation affects a firm's competitiveness in small and medium enterprises in the manufacturing sector in Nairobi County. The research concentrated on product innovation, process innovation, marketing innovation, organizational innovations, and firm size as moderating variables. It used a descriptive - explanatory research design with a survey strategy and targeted a population composed of manufacturing SMEs. A sample of 284 enterprises was drawn through stratified sampling technique. A semi-structured questionnaire was used to collect primary data from owners or managers the SMEs. Descriptive and inferential statistics were used to analyse the data. The research found out that product innovation, process innovation, marketing innovation and organizational innovation had positive effect on firm competitiveness. The other outcome of the research was that firm size had significant moderating effect on the innovation and competitiveness relationship. Yet the research was carried out in SMEs in the manufacturing sector and not in the Kenyan insurance firms as the current study. Again, the research was carried out in Nairobi County, different from the current study which was carried out nationwide. Further still, performance in the research was measured through competitiveness while in the current study sales volume and profitability were the measures of organisational performance.

Another research which analysed the relationship between organizational innovativeness, and organizational performance was done by Werlang and Rossetto (2019). It was carried out in the hotels and lodging establishments in Santa Catarina, Brazil. In the study a descriptive survey method was adopted and it utilised the

structural equations modelling techniques to measure the relationships between the study variables. The study targeted 162 managers of hotels and lodging establishments in Santa Catarina. The research found that organizational innovativeness does not significantly affect organizational performance. While the research was based in the hotel industry and in Brazil, the current study was based in the Kenyan insurance industry. Therefore, its findings cannot be generalised to a study conducted in Kenya.

The reviewed literature shows that considerable research has been focused on innovation. However, most scholars have concentrated on product innovation, process innovation or technological innovation. Most of the studies conducted have considered innovation as a general construct and have failed to recognise the role of mapping innovativeness competence on the side of the management and staff as a key competence driving performance. The current study has also established that previous research has not shown the relationship that exists between innovative management and an organization's performance, especially in the Kenyan insurance industry.

2.3.4 Competency Mapping, Firm's Culture and Firm's Performance

Firms cannot succeed on their own. They have to co-exist with other organisations in a given socio-cultural environment. Additionally, a firm will often have its own culture that sets it apart from other organisations. Culture as explained in sociology and anthropology is a concept that helps to explain the nature and existence of a social order. As explained by Cotgrove (1978) culture is made up of values and norms that are shared among those found in a particular social system or society. Franke et al., (1991) definition of culture is that it is a collective programing of minds that separates the people found in one group from the other. Denison (1990) developed a model

which otlines traits of organisational culture into adaptability, mission involvement and consistency. Firm's culture according to Schein (2010) meets two roles. These roles are important as when well realised they help the firm grow and succeed. External adaptation, where culture helps an organization to be responsive to changes in the external environment and external factors is one such role. Another role played by culture is that of internal integration. This ensures there is internal consistency in the firm by the use of common goals and values among the workers and ensuring there is a shared identity in the firm. Internal integration helps to capitalize on the common values and goals shared by the firm stakeholders and the strong identity that everyone who is part of the firm feels (Mwangi & Murigu, 2015).

Chinhanga (2018) carried out a study which investigated the relationship between organizational culture and innovation, and firm performance, predominantly in an unsteady, stormy and vibrant macro-environment. The results of the research indicated that only organizations with flexible organizational cultures can adapt to the changes being experienced worldwide by vigorously adopting an innovation culture. He, therefore, suggested the need for a paradigm shift from the old-style way of doing business to cope with competition from organizations from developed economies. He added that organizations need to do their best to produce products of high value and quality services to beat competition and increase performance. He said that this was necessary if the organizations were to gain a substantially bigger market share. For this reason, firm's culture becomes one of the sources of superior performance. Therefore, it is expected that a favourable association between firm's culture and performance will be observed.

Saele (2007) sought the link between organisational culture, values, and firm's performance focusing on New Zealand airline industry. A hybrid of quantitative and qualitative research methodology was employed. A survey questionnaire and qualitative interviews were used to collect data which was thereafter analysed using descriptive statistics. The results of the study showed a close association between the existing and the preferred firm culture. In addition, it was found that values and culture had an impact on the performance of the organization. The research added that the values and culture are one of the factors which determine the success of the airline and reduce the effects of external factors on the airline. This research sought to establish if a relationship exists between organisational culture, values and firm's performance, thus the study did not provide the relationship nature that existed among the study variables. The study only carried out a description of the situation. Again, the research was carried out in New Zealand's airline industry, thus its findings may not be applicable in the Kenyan insurance industry.

Nina (2013) sought to determine if organizational culture influences the performance of luxury hotels based on a case study of Ritz Carlton Hotel Company. The study adopted document analysis as the research design. The results from the research indicated the existence of a positive and influential relationship between organizational culture and the overall performance of a company. In that research organizational culture was considered as a dependent variable, but the researcher never attempted to show its moderating role. In addition to that, the research was carried out in a single firm in Austria's hotel industry. As such, the generalization of the findings of the study cannot apply to all registered Kenyan insurance companies.

Persson and Mikaela (2013) sought to establish how organizational culture and profession impacts on the auditors managerial discretion. The study population was composed of registered Swedish auditors who belonged to Föreningen Auktoriserade Revisorer (FAR) and numbered 3956. Raw data collection happened with the help of a web-based questionnaire and analysed using Pearson's correlations, regression analysis and t-tests. The study found a negative relationship between business culture and the level of discretion and there was no observed association between the firm's culture and auditor's managerial discretion. The study however found a positive relationship between employees and association with profession. Although, this study showed a direct negative relationship between organizational culture and auditor's discretion, the study failed to show the effect of organizational culture on the performance of the audit firms. The study also failed to show the moderating effect of organisational culture on firm's performance.

Olanipekun, Aje and Abiola-Falemu (2013) evaluated the effect of organisational culture on the performance of Nigerian based quantity surveying organisations using a survey design approach. The target population for the study included 90 quantity surveyors from 40 quantity surveying firms in Nigeria. The sample was randomly chosen and the raw data collected using a questionnaire. Data analysis was conducted using descriptive statistics, spearman rank correlation and stepwise regression analysis. The study revealed a positive correlation between the types of organisational culture and performance. Additionally, organisational culture was also found to influence the performance of quantity surveying firms. The findings of this study remain relevant in the current study; however, the study showed a direct relationship between organisational culture and firm's performance. The study therefore does not show the moderating effect of organisational culture on the relationship between

competency mapping and firm's performance. In addition, this study was conducted in Nigeria among quantity surveying firms which is significantly different from the insurance industry in Kenya.

Kariuki (2014) conducted a study to establish the effect of intellectual capital, corporate reputation and corporate culture on corporate performance. The study used cross-sectional survey design with a population of 50 companies listed on Nairobi Securities Exchange. The study used both primary and secondary data. A survey questionnaire was used for collecting primary data. Secondary data was obtained from Capital Market Authority, statistical bulletins and Nairobi Securities Exchange Handbook 2012-2013. Linear regression analysis and optimal scaling were used in data analysis. The findings indicated a favourable association between intellectual capital and non-financial performance and financial performance. Additionally, the results indicated that corporate reputation mediates the relationship between intellectual capital and both non-financial performance and financial performance. However, employee-oriented culture did not have a moderating effect on the association between intellectual capital and corporate performance. Although in the study corporate culture was used as a moderating variable, the study only concentrated on employee-oriented culture. Further, the study concluded that there was no moderation relationship of corporate culture. The findings of the study thus contradict the available literature that organizational culture influences performance.

Odhiambo, Kibera and Musyoka (2015) sought to assess the effect industry competition and the culture of the firm had on Kenyan based microfinance institutions performance. The target population for this study was made up of Kenyan microfinance institutions who are registered by the Association of Microfinance

Institutions (AMFI) in Kenya. Descriptive cross-sectional survey design was adopted while data was analysed with the help of regression analysis, factor analysis and Chi-square tests. The study results showed that organizational culture has a positive influence on performance, industry competition has a moderate positive influence on firm's performance, and finally, there was a significant effect of industry competition and the firm culture on the performance of the organisation. The findings in the study are relevant to the current study. However, organizational culture was used in this study as a mediating variable rather than a moderating variable.

Oduol (2015) studied the impact the culture of the firm had on the performance of Kenyan based commercial banks. The descriptive survey study had a population of ten subsidiaries of selected regional commercial banks headquartered in Kenya. The raw data was collected using semi structured questionnaires while data was analysed using descriptive statistics to establish that organizational culture boosts firm's performance. In the research, organizational culture was evaluated as an independent variable while in this study it was evaluated as a moderator. Therefore, the study failed to show the moderating effect of a firm's culture on the relationship between institutional competency mapping and performance. Additionally, the study was conducted in the banking sector among multinational firms which may be significantly different from insurance companies in Kenya. Finally, the study only concentrated on the relationship amongst employees and between employees and their seniors which are all internal relations. The study therefore ignored relationships with external stakeholders.

Naranjo-Valencia, Jiménez-Jiménez and Sanz-Valle (2016) conducted a study to examine the role of organizational culture, as a factor that can both stimulate or

restrain innovation, and therefore affect company performance. Using a sample of industrial companies. The findings revealed that culture can encourage creativity as well as organization success, or it may even be an obstacle to all of them, based on the ideals the culture supports. Specifically it has been noticed that an adhocracy culture is the strongest indicator of creativity and success. Therefore, the study concluded that innovation mediates the relation between certain types of organizational cultures and performance. This study examined the mediating relationship of innovation while the current study sought to examine the moderating role of firm culture.

Rajapathirana and Hui (2018) conducted a study to examine innovation's mediating role in the relationship between organizational culture and company performance. Data for the analysis were gathered through a survey from 154 branches of ten influential banks in Turkey and responses were analysed to determine the relationships between corporate culture, company efficiency and organizational creativity. The results showed that while organizational culture and creativity have a clear and beneficial impact on the dimensions of business success in the banking sector, organizational culture was found to have an insignificant coefficient of regression on the dimensions of firm output in the presence of organizational innovations. Although this study makes an important contribution to the existing literature by empirically examining the relationship between organizational culture, innovations and firm performance, the study cannot be generalised to the current study since the current study seeks to establish the moderating role of firm's culture on the relationship between competency mapping and performance.

Zhao, Teng and Wu (2018) conducted a study to evaluate the effect of corporate culture promotion on firm market value, firm financial performance and innovation output in China. The findings of the study indicated that corporate culture promotion is negatively related to the firm's market value, positively related to innovation output and not significantly related to firm's financial performance. In addition, the study found that the negative effect of corporate culture promotion on the firm's market value is driven by small firms and firms located in less developed regions. Moreover, the study found that certain specific promotions of corporate culture, such as promoting innovation culture and promoting integrity culture, are not tied to the value of the firm or the financial performance. Promoting innovation culture is however positively linked to innovation. Although this study contributes to the body of knowledge on the relationship between innovation, firm's culture and organizational performance, the study only focused on the direct relationship of the study variables while the current study sought to establish the moderating effect of firm's culture on the relationship between competency mapping and performance of insurance companies in Kenya.

In a study to examine the effects of organizational culture and innovativeness on the performance of businesses in Istanbul Turkey, Acar and Acar (2012) conducted a questionnaire survey on 332 employees of the 65 private hospitals in Turkey. Data analysis was carried out using multivariate data analysis techniques through developed hypotheses. The findings of this study provided that there is a positive relationship between innovation and organizational culture on the business performance in context of healthcare industry. The findings of this study are relevant in the field of strategic management. Further, the results of the study are limited to

healthcare sector in Instanbul and therefore cannot be generalised to the current context.

From the reviewed literature the study finds that there is a lot of empirical literature existing on firm's culture. However, most of the reviewed studies have considered culture as an independent variable. The study also notes that most of previous researches were conducted outside Kenya and Africa. Additionally, the study establishes that most of the studies conducted were in other sectors such as the manufacturing and the banking industry but none of the reviewed studies were conducted in the insurance industry. Finally, the study finds that most of the studies on the construct on culture did not follow any model to operationalize firm's culture. This study adopted Denison's (1990) model to operationalize culture.

2.4 Conceptual Framework

The relationship between study variables was hypothesised as shown in figure 2.1.

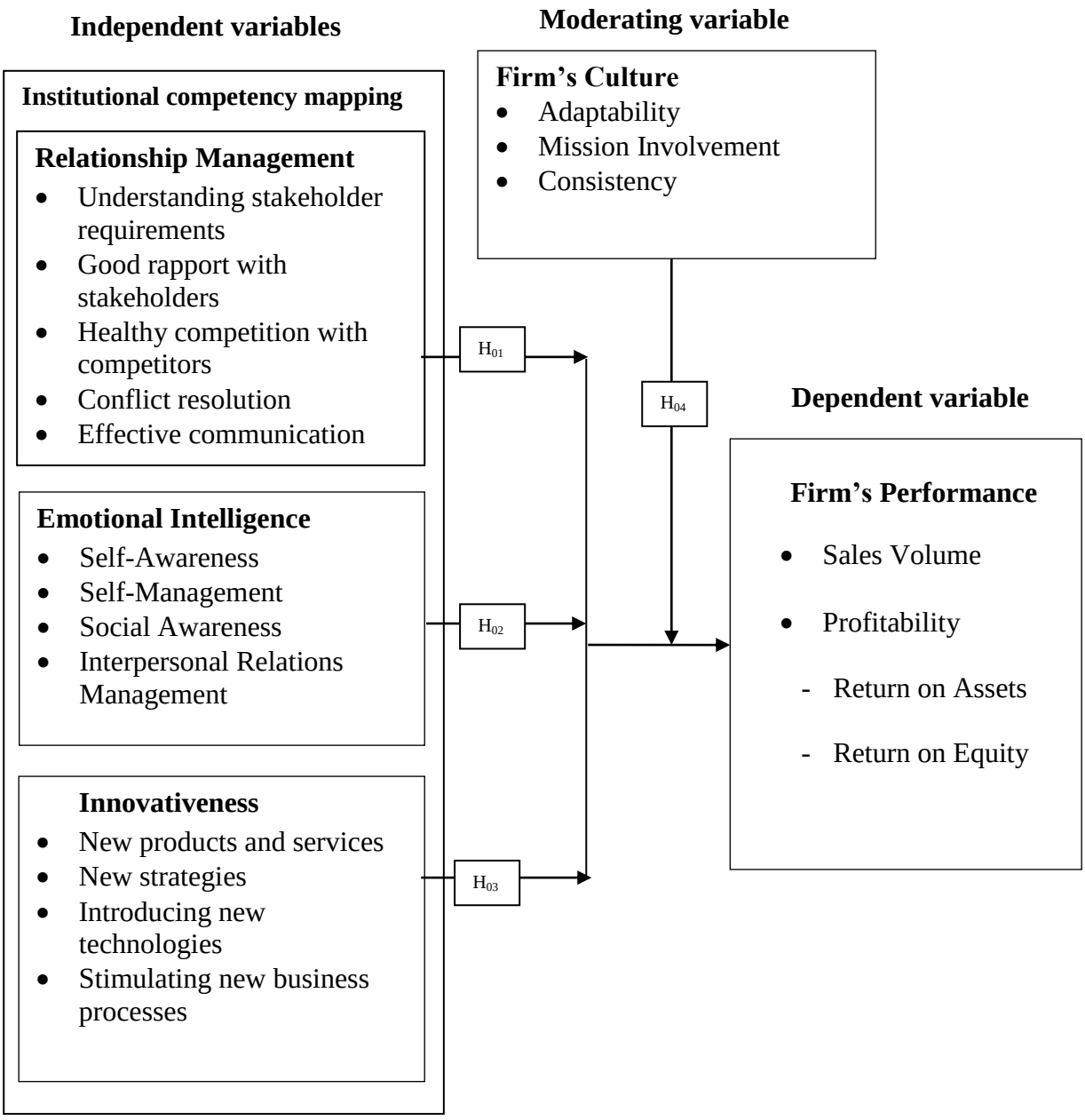

Figure 2.1: Conceptual Framework
Source: Author (2018)

Based on the reviewed literature the study anticipates that relationship management as measured through understanding stakeholder requirements, good rapport with stakeholders, healthy competition with competitors, conflict resolution and effective communication is directly related to organisation performance. Performance in this study was operationalized through sales volume and profitability in terms of return on assets and return on equity. It is also expected that emotional intelligence, measured

through self-awareness, self-management, social awareness and interpersonal relations management is linearly related to firm's performance. Innovativeness in this study was measured through new products, new strategies, new technologies, and stimulating new business processes and may be directly related to the performance of the organisation. Finally, firm's culture measured through adaptability, mission involvement and consistency may moderate the relationship between institutional competency mapping and firm's performance.

2.5 Critique of Literature and Research Gaps

From the reviewed literature the study has established that there is limited literature on competency mapping as a construct especially in Kenya and more specifically in the insurance sector. Many of the studies have been conducted outside the country in contexts significantly different from the context of the current study. In addition, the study observes that different studies have looked at the various variables outlined in this study as operationalization of competency mapping namely relationship management, emotional intelligence and innovativeness. Notably, firm's culture has also received considerable attention. However, the study has found that those studies considered the variables as an independent construct and not in unison.

The study has also established that among the literature reviewed none has established the relationship between institutional competency mapping and organisational performance. Instead these studies have shown the link between the various constructs in the study and firm's performance or other variables. Most of the studies conducted on relationship management have concentrated on customer relationship management or supplier relationship management. Therefore, the study has established that there is

limited literature that link relationship management and overall organisation performance in the insurance industry in Kenya.

The study also notes that a contingent of research has been carried out in the education sector as well as in the banking sector. The study therefore finds that there is limited literature on the relationship between emotional intelligence and firm's performance. Similarly, the study has established that innovation has received considerable attention among previous scholars. However, most scholars have concentrated on product innovation, process innovation or technological innovation. Most of the studies conducted have considered innovation as a general construct and have failed to recognise the role of mapping innovativeness competence on the part of the management and staff as a key competence driving performance.

Finally, literature shows that most of the reviewed studies have considered culture as an independent variable while it is treated as moderator in the current study. The study established that previous scholarships have shied away from firm's culture as a moderator in the relationship between the variables. Additionally, most of the studies on the construct on culture did not follow any model to operationalize firm's culture. This study adopted Denison's (1990) model to operationalize culture.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter outlines the research methodology that was used to conduct the research. This includes the philosophy and design of the research, targeted population and the collection of data and the analysis. Finally, this chapter outlines the ethical considerations in the study.

3.2 Research Philosophy

Research philosophy relates to the knowledge foundations from which the study is based (Robson, 2014). As explained by Saunders, Lewis and hornhill (2009) research philosophy involves coming up with the background of the study, the knowledge and the nature of this knowledge. The research philosophy assists the researcher to expose, understand and minimize researcher biases. The major philosophical considerations that exist in social sciences include Positivism, pragmatism, realism and interpretivism (Gomm, 2009) with positivism and interpretivism on the two extreme ends. The positivistic philosophical foundation focuses on facts, measuring, validity, neutrality and objectivity of the findings (Saunders, 2011). The quantitative nature of data in the current research is from the positivist philosophy which points out that objective realities exist and they can be shown in numeral forms (Bryman & Bell, 2015).

Interpretivism holds that the reality is multiple and relative and these realities meaning are based on other systems. According to this philosophy, knowledge is acquired through social constructions rather than objectively determined and perceived (Robson, 2014). This form of research philosophy aims at providing

meaning for human behaviour and does not try to come up with causes and effects. It is therefore paramount to know the experiences, reasons, meanings and motives that happen at a given duration and context (Bryman & Bell, 2015). According to Blumberg, Cooper and Schindler (2014) in this philosophy, concepts are only accepted to be relevant if they support action.

The positivist paradigm is selected as the most appropriate for this study because the paradigm points out that reality is both apprehensible and real. It recommends for the use of theories, testing of these theories and collecting and analysis of data to provide the findings of a study. This study assumes that reality is real and apprehensible and can be obtained through data collection and analysis. According to the positivism philosophy, the assumption is that the researcher is independent from the phenomenon under study and thus can do the research without the possibility of biasness. In this study the researcher is assumed to be independent of the researched and does not influence the outcomes of the study. This study applied positivism philosophical foundation in determining the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya.

3.3 Research Design

This study adopted descriptive and correlational research designs. Descriptive research design aims at making a systematic and empirical inquiry at the research phenomena with no direct link or ability to manipulate the independent variables under study (Bryman & Bell, 2015). The researcher preferred this design of research since the questions to be answered in the study were who, what, where, when, how, and why questions as recommended by Sekaran and Bougie (2016). In addition,

descriptive research design was adopted because the study seeks to deduce the existence of association among different study variables (Mugenda & Mugenda 2003). Specifically, the study sought to determine the influence of institutional competency mapping on organizational performance in the insurance industry in Kenya.

This study also used a correlational research design which involves observing two variables (dependent and independent) in order to establish a statistically corresponding relationship between them (Saunders 2011). In a correlational research design, which is non-experimental, the researcher seeks an understanding as to what kind of a relationships random variables may have with one another. That is, the researcher seeks to figure out if two or more variables are related and, if so, in what way (Curtis, Comiskey & Dempsey, 2015). In this type of study, the researcher measures the relationship between two or more variables without the controlling either of them intending to establish if a positive correlation, negative correlation or no correlation is exhibited.

Additionally, the researcher seeks to identify variables that have some sort of relationship to the extent that a change in one creates some change in the other (Lewis 2015). Thus, the study found the design appropriate to establish any statistical relationship existing between institutional competency mapping, firm's culture, and organisational performance of insurance companies in Kenya. Further, the design allows the researcher to identify recurring statistical patterns among the variables and connecting changes (Curtis et al., 2015). Consequently, the researcher was able to observe any patterns in the relationships among institutional competency mapping, firm's culture, and performance of insurance companies in Kenya.

3.4 Target Population

The population for the current research was made up of the management staff of all the registered insurance companies in Kenya. As at 28th February 2017, from the Insurance Regulatory Authority (IRA) data, there were 55 registered insurance firms (IRA, 2017). The unit of analysis was the insurance companies, which were studied to determine the influence of institutional competency mapping on organizational performance. The unit of observation was the lower, middle and the top-level management while the unit of measurement was the managing directors, middle levels managers and departmental heads. Table 3.1 illustrates the target population of the study.

Table 3.1: Target Population

Management level	Population	Percentage
Top level	64	14.13
Middle level	127	28.04
Lower level	262	57.84
Total	**453**	**100.00**

Source: IRA (2017)

3.5 Sample Size and Sampling Procedure

The sampling frame for this study was the management staff in each of the insurance companies. Blumberg et al., (2014) describes sampling frame as the total population listed from which a sample is chosen. The researcher chose proportionate stratified sampling technique. Bryman and Bell (2015) recommended that a sample should be made up of 10 to 30 percent of the target population if it is to be deemed representative. Using this as a guide, the researcher selected 208 respondents as the study's sample by use of a finite population formulae calculating the target population of 453 with a 95% confidence level and an error margin of 0.05. The

formulae as recommended by Kothari (2004) is as shown below. This formula was adopted because the study population was finite.

$$n = \frac{z^2.N.\partial_p^2}{(N-1)e^2 + z^2\partial_p^2}$$

Where; n = Sample size,

N = Population size of 453,

e = Error margin at 0.05,

∂p = The population's standard deviation at 0.5,

Z = Standard variance at a confidence level of 1.96 at a confidence level of 95%.

Using the model, the sample size was calculated as follows;

$$\frac{1.96^2 * 453 * 0.5^2}{(453-1)0.05^2 + 1.96^2 * 0.5^2} = 208$$

Based on the results of sample size computation, this study needed at least 208 participants to complete the survey. The sample size was as shown in Table 3.2.

Table 3.2: Sampling Frame

Management level	**Population**	**Ratio**	**Sample**
Top level	64	0.46	29
Middle level	127	0.46	58
Lower level	262	0.46	121
Total	**453**		**208**

Source: Author (2018)

3.6 Data Collection Instruments

The researcher used both primary and secondary data. Questionnaire was the research tool used for collection of primary data. A questionnaire contains formulated questions which the respondents are expected to answer. Some might have defined choices from which to select the answers from while others might be open. A questionnaire is not only an affordable means of collecting data but it allows a researcher to collect data from a large number of respondents (Sekaran & Bougie, 2016). Kothari (2004) recommends a questionnaire as an appropriate research tool since it makes it easy to collect large amounts of data in a short period of time. Since the respondent's identification is not given, it guarantees confidentiality to the participants and the answers provided are easy to analyse (Sundram & Chandran, 2010). This is the reason why the researcher chose to use the questionnaire as the research tool for this study. The questionnaire used had both open and close ended questions. The sections included in the research tool included a section that sought bio data from the participants and a second section that sought data related to the variables under study. A data collection sheet was also used to collect data related to the performance of the insurance companies in Kenya.

3.7 Data Collection Procedure

The researcher self-administered the research tool. This method of administering the research instrument allowed for clarification of any misunderstood questions and also allowed the researcher to probe for more detailed responses. This ensured that the participant's understood the questions and they gave answers that were relevant to the study. In instances where self-administered questionnaires were not applicable, the researcher dropped the questionnaire to be picked later. The researcher also got an introduction letter from the University which was attached to the research instrument

to assure the participants that the research was being done for academic purposes and that their data would be treated with utmost confidentiality. The researcher also obtained a research permit from the National Commission for Science, Technology and Innovation (NACOSTI) to be allowed to carry out the research.

3.8 Pilot Testing

The pilot test was done to ensure that the research tool was valid and reliable and also to improve its face validity (Smith, 2015). The questionnaire's reliability and validity was tested whereby the pre-test used 25 questionnaires issued to randomly selected insurance companies within Nairobi County. The group of employees across the different levels of management who were involved in the pilot study were excluded from the final research. Sekaran and Bougie (2016) recommends that the pre-test should be done by use of personal interviews so as to observe the respondents' attitudes and reactions as they answer the questionnaire questions. The pre-test helped to look into every aspect of the research tool including the wording, layout, content, form, sequence, instructions and the difficulty of the questions asked. Revisions to be done were made before administration of the research tool to the main study respondents. This gave the respondents easy time to respond to the questionnaires.

3.8.1 Validity of Research Instruments

The research tool was tested for validity to establish if it was accurate and able to give meaningful results as recommended by Taylor, Bogdan & DeVault (2015). The instruments validity was established by determining the content and face validity. The former looks at the test scores of the research tool and compares them to others from a similar set of items. It seeks to establish if the sample is also a good representative of the target population. Gorard (2010) points out that the skills and knowledge that the

questionnaire covers should represent the skills and knowledge in the larger population. The researcher consulted the supervisors and other lecturers in the university as well as other experts who were conversant with questionnaire construction to achieve this objective. The report from the supervisors and peers indicated that the research tool had content and face validity. The research tool questions included all the study variables. The questions too had properly translated the research constructs. Content validity was determined to be present since the research tool covered all the needed and relevant domains for the study constructs and was based on the theoretical framework.

3.8.2 Reliability of Research Instruments

The study also tested the reliability of the questionnaire aimed at establishing the extent to which the questionnaire produces the same results under similar circumstances but on different scenarios as noted by Bell (2010). In this study, the research tool reliability was assessed through internal consistency using Cronbach's alpha (α). A construct composite reliability co-efficient (Cronbach alpha) of 0.6 or above, is considered adequate (Bryman & Bell, 2015). Based on this argument, a coefficient of 0.6 or above for all the constructs was accepted.

The reliability test findings are as indicated in Table 3.3.

Table 3.3: Summary of Reliability Statistics

	Main Study	Conclusion
Variable		
Relationship Management	0.773	Reliable
Emotional Intelligence	0.887	Reliable
Innovativeness	0.925	Reliable
Firm's culture	0.958	Reliable
Organisation performance	0.970	Reliable
Overall Cronbach's Alpha	0.905	Reliable

The summary of reliability statistics shown in Table 3.3, indicates that relationship management had a Cronbach's Alpha of 0.773, emotional intelligence had a coefficient of 0.887 and innovativeness had a coefficient of 0.925. Firm's culture had a Cronbach's Alpha coefficient of 0.958 while organisation performance had a Cronbach's Alpha coefficient of 0.970. The overall Cronbach's Alpha for all the constructs was 0.905. The study relied on the recommendations of Bryman and Bell (2015) who indicated that a coefficient of 0.6 or above is considered adequate. Based on these results the study found that all the constructs had internal consistency since all of them had a Cronbach's Alpha coefficient greater than 0.6.

3.9 Operationalization of Study Variables

According to Crano, Brewer and Lac (2014) variable operationalization aims at developing a valid and quantifiable index for the study variables. Ramdhani and Ramdhani (2014) observed that factors that are concrete, objective and independent are easy to quantify by use of the right tool. Therefore, operationalization enables the researcher to come up with an appropriate measurement tool. The variables in this study were operationalized as outlined in the table 3.4.

Table 3.4: Operationalization of Variables

Variable	Operationalization	Indicators	Measurement in the questionnaire
Relationship Management (Independent)	The ability of management to get the best out of the various stakeholders through inspiring and influencing them, building and maintaining effective communication, building relationships with them and assisting them to develop, change and re solve conflicts.	- Understanding stakeholder requirements - Good rapport with stakeholders - Healthy competition with competitors - Conflict resolution - Effective communication	APPENDIX II Part 2
Emotional Intelligence (Independent)	Ability of the management of insurance companies to identify, manage and use emotions to guide decision-making.	- Self-awareness - Self-management - Social awareness - Interpersonal relations	APPENDIX II Part 3
Innovativeness (Independent)	Use of new strategies, processes and procedures that change how work is done.	- New products and services - New strategies - Introducing new technologies - Stimulating new business processes	APPENDIX II Part 4
Firm's Culture (Moderating)	Deep-rooted beliefs (assumptions, values, norms) behaviours and practices shared among stakeholders in insurance companies, which they perform without questioning.	- Adaptability - Mission involvement - Consistency	APPENDIX II Part 5

Performance of insurance companies in Kenya.
 	
(Dependent)
	A measure of a company's outcome measured through sales volume and profitability in terms of returns on assets and return on equity.	- Sales Volume
		- Profitability
		  - Return on assets (ROA)
		  - Return on equity (ROE)
			APPENDIX II Part 6

Source: Author (2018)

3.10 Diagnostics Tests

Diagnostic tests are done on the data collected before it can be analysed to determine if the findings from this data are valid (Mutandwa, Grala & Grebner, 2016). The diagnostics tests done for this research included; adequate sample size, multicollinearity, autocorrelation, Heteroscedasticity, normality, outliers and linearity. To do away with outliers in the collected data, geometric mean was sought as recommended by Bryman and Bell (2015). Geometric mean is obtained by taking a

composite value of each of the study variables. The variables correlation was determined to establish the correlation of the study variables as opined by Field (2009).

3.10.1 Multicollinearity Test

Multicollinearity test is done to deduce if there is a linear relationship between the explanatory variables included in a multiple regression analysis (Iacobucci, Schneider, Popovich & Bakamitsos, 2017). As explained by Field (2009) if the correlation value is found to be 0 then the conclusion is that correlation does exist between the explanatory variables. In case the value obtained is 1 or -1 then the independent variables have perfect multicollinearity. To test for multicollinearity, Tolerance and Variance Inflation Factor (VIF) was carried out. As explained by Iacobucci et al., (2017) if the VIF value is lower than 3, it shows lack of multicollinearity. VIF values of 5 suggests that there could be some level of multicollinearity but which may not be of great concern to the researcher because it may not affect the results. However, VIF values of 10 or tolerance values lower than 0.1 suggests that there is a high multicollinearity problem. If multicollinearity exists, it means some variables must be excluded from the model or redefined to avoid the problem of multicollinearity. Factor analysis further helped to determine the relationship existing among the different variables to establish the variables to be excluded. This allows for many variables to be condensed into fewer dimensions or factors.

3.10.2 Normality Test

Normality test is the likelihood that the collected data had a normal distribution over the sampled population (Kothari, 2004). Gujarati and Porter (2009) explains that it is

important to ensure the data collected passes the normality test before subjecting it to analysis. The Shapiro-Wilk tests was used to test for normality of both the dependent and independent variables. As Field (2013) explains, a variable is said to be normally distributed if the P-value for the Shapiro-Wilk test statistic was greater than 0.05 significance level. On the other hand, Park (2015) concluded that if the kurtosis and skewness values are between -1.0 and +1.0, then the variable is close to normal. Based on the histogram and normal Q-Q plots Myoung (2008) concluded that a variable is normally distributed if the plotted histogram assumes a bell-shaped curve while the normal Q-Q plot has the plotted points close to a straight line. Similarly, if the probability plot provides a straight line then this indicates a normal distribution that has a highly positive correlation (Field, 2009).

3.10.3 Test for Heteroskedasticity

Heteroskedasticity is said to occur if the error terms do not have constant variance (Machado & Silva, 2013). Field (2009) argues that heteroskedasticity arises if there are errors such as measurement errors, which increases with increase in the independent variable, where some respondents provide more accurate responses than others or when the values of an independent variable become more extreme in either direction. According to Vogelsang (2012) the presence of heteroskedasticity can lead to the conclusion that statistical tests done are erroneous and that these errors are uniform and unrelated which can lead to problems when conducting analysis. Breusch-Pagan test helped test for heteroskedasticity as recommended by Warner (2008). The null hypothesis was that the error term is constant. If $P \leq 0.05$, the null hypothesis was rejected and the conclusion was that heteroskedasticity does exist. In case $P \geq 0.05$, the null hypothesis was accepted and the conclusion made was that heteroskedasticity did not exist.

3.10.4 Test for Autocorrelation

This study assumed that the variance between the error terms over time and cross-sectional for the data is zero implying that the errors terms are uncorrelated with one another. To test for autocorrelation, this study adopted the Durbin-Watson Test. The test is computed using the following formula:

$$d = \frac{\sum_{t=2}^{T}(e_t - e_{t-1})^2}{\sum_{t=1}^{T} e_t^2},$$

Where; T represents the observations.

e_t is the residual of the observation at any given time t,

d is the test statistic for the Durbin-Watson Test

According to Field (2009) the value of d is between 0 and 4. If d equals 2, there is no autocorrelation. If d is lower than 2, there is positive serial correlation. If d is less than 1.0, the researcher should get concerned since d values that are very low shows that successive error terms are positively correlated. However, if d is greater than 2, it shows that the successive error terms are negatively correlated.

3.11 Data Analysis and Presentation

To prepare the data for analysis and presentation, completed questionnaires were checked for consistency, then coded and data entered into a database. Consequently, descriptive statistics and inferential statistics were conducted using SPSS software. Descriptive statistics and namely, frequencies, the mean, and standard deviation were computed for each of the study variables in order to allow the researcher come up meaningful scores that used few indices (Taylor et al., 2015).

A regression model and Pearson correlation coefficient was done as part of the inferential analysis. The coefficient of determination (R^2) was used to determine if the model was significant and the extent to which each of the independent variables explained the changes in the dependent variable. F-statistic was determined at a confidence level of 95% to determine if a significant association existed between competency mapping and performance of insurance companies in Kenya. Analysed descriptive and inferential data was presented using tables and graphs.

3.12 Test of Hypotheses

The models provided in the table 3.5 were used to test the proposed hypotheses in line with the objectives of this study.

Table 3.5: Test of Hypotheses

Objectives	Research Hypotheses	Analysis Model	Analytical Method	Interpretation
Establish the influence of relationship management on the performance of insurance companies in Kenya	H_{01}: Relationship Management has no significant influence on organizational performance among insurance companies in Kenya.	Simple Linear regression test of the form $\boldsymbol{OP_F = \beta_0 + \beta_1 RM + \varepsilon}$ **Where**: $\boldsymbol{OP_F}$ = Organization Performance $\boldsymbol{RM}$ = Relationship Management, $\boldsymbol{\beta_0}$ = Constant $\boldsymbol{\beta_1}$=Regression Coefficient for Relationship Management ε= Random error term	- Simple Linear regression analysis - R^2 - F-test - t-test	R^2 provides predictive power of the model Model significant if p value ≤ 0.05 Results significant if B_1 is significant
Assess the influence of emotional intelligence on the performance of insurance companies in Kenya	H_{02}: Emotional intelligence has no significant influence on organizational performance among insurance companies in Kenya	Simple Linear regression test of the form $\boldsymbol{OP_F = \beta_0 + \beta_1 EI + \varepsilon}$ **Where:** EI = Emotional Intelligence $\boldsymbol{\beta_0}$ = Constant $\boldsymbol{\beta_1}$=Regression Coefficient for Emotional Intelligence, ε= Random error term	- Simple Linear regression analysis - R^2 - F-test - t-test	R^2 provides predictive power of the model Model significant if p value ≤ 0.05 Results significant if B_1 is significant.
Analyse the influence of innovativeness on the performance of insurance companies in Kenya	H_{03}**:** Innovativeness has no significant influence on organizational performance among insurance companies in Kenya	Simple Linear regression test of the form $\boldsymbol{OP_F = \beta_0 + \beta_1 INN + \varepsilon}$ **Where:** *INN* = Innovativeness $\boldsymbol{\beta_0}$ = Constant $\boldsymbol{\beta_1}$=Regression Coefficient for Innovativeness ε= Random error term	- Simple linear regression analysis - R^2 - F-test - t-test	R^2 provides predictive power of the model Model significant if p value ≤ 0.05 Results significant if B_1 is significant.
To determine the moderating influence of firm's culture on the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya	H_{04}**:** Firm's culture has no significant influence on the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya	Multiple Linear regression test of the form $\boldsymbol{OP_F = \beta_0 + \beta_1 ICM + \beta_2 FC + \beta_3 ICM * FC + \varepsilon}$ **Where:** $\boldsymbol{ICM}$ = Institutional Competency Mapping, $\boldsymbol{FC}$ = Firm's Culture $\boldsymbol{\beta_0}$ = Constant $\boldsymbol{\beta_1}$=Regression Coefficient for Institutional Competency Mapping $\boldsymbol{\beta_2}$=Regression Coefficient for Firm's Culture $\boldsymbol{\beta_3}$=Regression Coefficient for the Interactive Term for Institutional Competency Mapping and Firm's Culture ε= Random error term	- Multiple linear regression analysis - R^2 - F-test - t-test	R^2 provides predictive power of the model Model significant if p value ≤ 0.05 Results significant if B_3 is significant.

Source; Author (2018)

3.13 Ethical Considerations

The researcher collected sensitive information and thus should treat this data with confidentiality. At the outset, consent was sought from the chief executive officers and then the participants were made aware of the aim of the research so that they could decide for themselves whether to participate in the research or not. Additionally, the participants were assured that the data they provided would be treated with confidentiality to ensure that they were open and willing to provide all the relevant data. This was done by use of the transmittal letter from Karatina University and a research permit from the National Commission for Science, Technology and Innovation (NACOSTI) indicating that the data collected was used for research purposes only. The researcher explained and gave the respondents the opportunity to ask questions regarding the study and had them answered to their satisfaction. All data that related to the personality traits or identification of the participants was treated with utmost confidentiality. The participants were made aware of the research purpose, the way the research would be conducted and the expected advantages the results would bring to the related organizations.

Caution was also observed to ensure that no respondent in the participating insurance companies was coerced into providing information for the purpose of this study. The researcher also did her best to use the least time and resources to collect the data. The quantitative study was conducted in an independent, objective and reliable manner. The research was done with these ethical considerations in mind.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter provides the research findings, analysis of data and the interpretation and presentation of this data. The chapter analyses the response rate, demographic data and provides the inferential analyses and descriptive statistics results of the influence of institutional competency mapping on organizational performance in the insurance industry in Kenya. Finally, the chapter presents the results on hypotheses testing and analysis and presentation of quantitative data.

4.2 Analysis of Response Rate

The sample size for the study was made up of 208 participants drawn from the top level, middle level and the lower level management of the 55 Kenyan based insurance firms registered by IRA (2017). Out of the 208 questionnaires distributed, 153 of the participants successfully filled and returned their research instrument leading to a 73.6% response rate. The response rate was summarised as shown in Table 4.1.

Table 4.1: Response Rate

	Frequency	**Percentage**
Response	153	73.6%
Non response	55	26.4%
Total	**208**	**100.0%**

As shown by the Table 4.1 findings, the response rate is 73.6%. Mugenda (2009) opines that a 50% response rate is considered good enough for data analysis and reporting. A 60% response rate is said to be good while anything above 70% is

deemed excellent. The study's response rate is above 70% so it was found to be good enough to permit analysis of the data collected to proceed.

4.3 Analysis of Demographic Information of the Respondents

This research sought to establish the background information of the participants on the basis of gender of the respondent, position held in the organization, number of years worked in the current organization and the education level of the participant. The findings are shown in Table 4.2.

Table 4.2: Demographic Information of the Respondents

Gender of the Respondent		
	Frequency	**Percentage**
Male	84	54.9%
Female	69	45.1%
Total	**153**	**100.0%**
Position Held in the Organization		
Management level	**Frequency**	**Percentage**
Top level	18	11.8%
Middle level	47	30.7%
Lower level	88	57.5%
Total	**153**	**100.0%**
Number of Years Worked		
	Frequency	**Percentage**
Less than 1 year	9	5.9%
Between 1-5 years	46	30.1%
Between 6-10 years	46	30.1%
Over 10 years	52	34.0%
Total	**153**	**100.0%**
Highest Level of Education		
	Frequency	**Percentage**
Certificate	3	2.0%
Diploma	37	24.2%
Undergraduate	100	65.4%
Postgraduate	13	8.5%
Total	**153**	**100.0%**

From the Table 4.2 results, among the 153 respondents, 54.9% (84) were male while 45.1% (69) were female. These results shows that majority of the management staff in the insurance industry in Kenya are male. According to the outcome, majority of the

respondents as shown by 57.5% (88) were in the lower management level, 30.7% (47) were in the middle management level while 11.8% (18) were in the top management level. This implied that majority of the management staff who were available to respond to the research questionnaire were from the lower management level. This may be attributed to the fact that many of the top managers have a busy schedule and had limited time to respond to the research instrument. However, since the lower management staff are constantly engaging with the workers and other stakeholders, the study found the data to be authentic and reliable.

Additionally, the research findings show that many of the participants 34.0% (52) had worked in the current insurance company for over 10 years, 30.1% (46) had worked in the current insurance company for between 6-10 years, 30.1% (46) had worked in the current insurance company for between 1-5 years while 5.9% (9) had only worked in the current insurance company for less than 1 year. These results shows that most of the participants had over 10 years of experience in the current firm which implied that they were well conversant with the company operations and could therefore give informed opinions about the firm.

Regarding highest level of education, the results in table 4.2 indicates that most of the respondents 65.4% (100) had a bachelor's degree, 24.2% (37) held a diploma, 8.5% (13) had postgraduate qualification and only 2.0% (3) had a certificate as their highest level of qualification. The results thus shows that most of the management staff had at least a bachelor's degree implying that they had adequate academic qualification to understand the constructs in the study and therefore the study could rely on their opinions to make inferences.

4.4 Descriptive Statistics

The descriptive statistics on the five study variables; relationship management, emotional intelligence, innovativeness, firm's culture and performance of insurance companies Kenya is presented. The descriptive results present a summary of the variable characteristics as indicated by the respondents. The participants were asked to respond to a number of statements based on the extent to which each of the statements applied to their firm in a Likert scale of 1-5 where 5 represented very high extent, 4 represented a high extent, 3 represented moderate extent, 2 represented low extent and 1 represented no extent. The study used descriptive measures (average and standard deviation) to carry out this analysis. The mean score was calculated as the average of the scores for an attribute by all respondents and interpreted based on the Likert scale rounded off to the nearest whole number. The standard deviation was used to measure how far the individual responses deviated from the mean. The study adopted Sousa (2017) recommendation of 68 - 95 - 99.7% rule, which means that 68% of the sample should be within one SD of the mean, 95% within 2 SD and 99.7% within 3 SD suggesting that a standard deviation greater than a third of the mean is considered high. The study presented the results for relationship management, emotional intelligence, innovativeness, firm's culture, and performance in the same order.

4.4.1 Descriptive Statistics for Relationship Management

The first independent variable was relationship management. This variable was selected owing to its relevance in influencing the performance of an organization, particularly in the service sector. Suguna and Selvi (2013) in an earlier study concluded that relationship management is among the most sought skills during selection and recruitment of employees. In this study, relationship management was

operationalized through, understanding stakeholders, creation of good rapport with stakeholders, healthy competition with competitors, conflict resolution and effective communication. The participants were required to show to which extent their firm undertook each of the statements in a 5-point Likert scale where 5 represented very high extent, 4 represented high extent, 3 represented moderate extent, 2 represented low extent and 1 represented no extent. The results of the study were as shown in Table 4.3.

Table 4.3: Descriptive Statistics for Relationship Management

	N	Min	Max	Mean	Std. Dev.
We always seek feedback from our stakeholders on how they are treated.	153	1	5	4.12	.814
It is the policy of our company to observe healthy competition with competitors	153	1	5	4.05	.894
Our staff seeks to understand our customers	153	1	5	3.90	.937
Our staff seeks to understand our suppliers	153	1	5	3.85	1.025
Our management is enthusiastic about understanding stakeholder requirements	153	1	5	3.12	1.186
Conflict resolution is highly emphasised in dealing with stakeholder's disputes in our organisation	153	1	5	2.97	1.161
We endeavour to uphold effective communication strategies while dealing with stakeholders	153	1	5	2.71	1.196
As part of our induction process, communication skills are emphasised on how to deal with stakeholders	153	1	5	2.31	1.120
We always seek to create a good rapport with our various stakeholders	153	1	5	2.25	1.171
Our representatives do not engage in unnecessary confrontations with our clients	153	1	5	2.24	1.128
Aggregate Score				**3.152**	**1.0632**

The descriptive results for relationship management as shown in Table 4.3 indicates that insurance companies highly sought feedback from their stakeholders such as customers and suppliers as shown by the mean score of 4.12. The standard deviation of 0.814 suggested that the respondents generally agreed with the statement that their firm always sought feedback from stakeholders regarding their treatment in the

company. The study also found that as a policy, many insurance companies to a high extent observed healthy competition with competitors as shown by the mean score of 4.05. This suggests that although there is stiff competition among the insurance companies, this competition is maintained at reasonable levels under the laid down guidelines. Similarly, the standard deviation of 0.894 indicates that the respondents generally agreed that there was fair competition among the players in the industry.

The staff in the insurance companies always sought to understand their customers to a great extent. This is because the average score and standard deviation was shown to be 3.90 and 0.937 respectively and at the same time their staff sought to understand their suppliers to a great extent due to the scores at 3.85 and 1.025 representing the average and standard deviation respectively. The results in Table 4.3 shows that the management of insurance companies in Kenya are enthusiastic about understanding stakeholder requirements but to a moderate extent. The results show a score of 3.12 and 1.186 for average and standard deviation respectively, highly emphasised conflict resolution in dealing with stakeholders to a moderate extent as proofed by the scores of 2.97 and 1.161 for average and standard deviation respectively and the management endeavours to uphold effective communication while dealing with stakeholders to a moderate extent as shown by the scores at 2.71 and 1.196 for average and standard deviation respectively.

Moreover, the results indicate that communication skills and creating good rapport with stakeholders are emphasised to a low extent as can be seen by the scores at 2.31 and 2.25 and 1.120 and 1.17 for average and standard deviation respectively. Finally, the results show that insurance companies in Kenya encouraged their representatives

not to engage in unnecessary confrontations with their clients but to a low extent due to scores of 2.24 and 1.128 for average and standard deviation respectively.

On aggregate the results shows that insurance companies in Kenya undertook to map relationship management competence to a moderate extent as indicated by the mean score of 3.152. This means that the management considered relationship management to have a moderate influence on the performance of the company. However, the standard deviation of 1.0632 suggested that there was high deviations among the respondents regarding the mapping of relationship management competency in their companies. The descriptive results on relationship management were in line with the findings of Birasnav (2014) who indicated that for organizations to achieve superior performance, the employees and the management need to possess relationship management skills. Further, these results rhymed with conclusions of Brackett et al., (2011) who opined that there is always some level of interaction between employees, managers, customers and even among employees themselves which may positively or negatively influence performance of the organization. Thörnblad et al., (2012) affirmed that relationship management leads to a higher customer retention which leads to better performance. Moreover, the descriptive results were consistent with the conclusions reached by Wanjiku (2014) who opined that relationship management among commercial banks resulted to more profits and enhanced customer retention. Kiarie (2017) concluded that there was a positive relationship between relationship management and operational performance of large manufacturing firms in Kenya. The results further agreed with the conclusions of Njuguna and Mirugi (2017) who postulated that effective relationship management has a positive effect on service delivery.

The results obtained on this variable shows the essence of relationship management in any company since it has been revealed that a positive relationship does exist with the firm's performance. For this reason, the management of insurance companies emphasised relationship management in their companies but only to a moderate extent. This may have been driven by the belief held by some managers that relationship management has only a moderate influence on the performance of the company. As a result, while some insurance companies sought to map relationship management competence among their staff, some were reluctant. The study finds that relationship management is important to insurance firms in Kenya by building and maintaining effective communications with customers, co-workers, employees, managers and company shareholders.

The participants were requested to provide feedback on the frequency with which they train their employees on relationship management. The outcome was as indicated in Table 4.4.

Table 4.4: Frequency of Training on Relationship Management Skills

	Frequency	Percent
Not at all	6	3.9%
Occasionally	9	5.9%
Quarterly	95	62.1%
Semi annually	34	22.2%
Annually	9	5.9%
Total	153	100.0%

The outcome in Table 4.4 indicates that many insurance companies in Kenya as shown by 62.1% (95) train their employees on relationship management skills on a quarterly basis, 22.2% (34) indicates that they train their employees on relationship management skills semi-annually, 5.9% (9) indicates that they train their employees on relationship management skills annually or occasionally while another 3.9% (6)

indicates that they do not train their employees on relationship management skills at all. Overall the results show that majority of insurance companies train their employees on relationship management skills indicating its relevance in influencing the performance of their firms.

The results posted above suggests that there are some insurance companies that do not train their employees on relationship management skills while a few others do it once a year or occasionally. A big proportion of those that train their employees on relationship management skills do it quarterly or semi-annually. These results were consistent with postulations of Rousku (2014) and Shah (2016) who showed that identification and development of competencies such as relationship management assist in intellectual capital modelling among employees leading to effectiveness and better organizational performance. However, the results were inconsistent with conclusions of Vazirani (2010), Almajali et al. (2012) and Wambua (2016) who observed that only few companies consciously carryout competency mapping and even some of those that do, they do it unknowingly.

Based on these results it is deduced that although competency mapping and training and development on relationship management skills as a competence may lead to greater efficiency and performance, training of the same among insurance companies in Kenya is not adequately emphasised by some insurance companies who occasionally or never train their employees on managing relationships with stakeholders and when they do, they do it annually.

When the respondents were requested to rate the relationship between their company and suppliers, competitors, customers and government agencies, the results in Table 4.5 were obtained.

Table 4.5: Descriptive Statistics for Relationship with Stakeholders

	n	Minimum	Maximum	Mean	Std. Dev
Customers	153	3	5	4.20	.526
Competitors	153	3	5	4.18	.475
Suppliers	153	2	5	4.08	.654
Government Agencies	153	1	5	4.01	.847

From the findings in Table 4.5, insurance companies rated having good cordial relationships with their stakeholders as shown by mean scores of 4.20, 4.18, 4.08, and 4.01 for customers, competitors, suppliers, and government agencies respectively. These results shows that insurance companies had the best relations with customers followed by competitors, suppliers, and finally government agencies.

The results shown in this variable concurred with the findings of other studies. For instance, Axelsson and Olausson (2007) on customer relationship management showed that CRM can be used to create healthy relationships between the company and its customers and suppliers. Brackett et al., (2011) concluded that since employees always interact with other stakeholders such as customers, management teams and other employees, having relationship management skills sets them apart from the rest in their performance. In addition, Nkanda (2012) on the effects of RM on performance of private security companies in Kenya established that RM has positive effects on performance. The results also agreed with the conclusions reached by Kiarie (2017) who found a favourable and significant association between supplier relationship management practices and organizational performance while Njuguna and Mirugi (2017) pointed out that service quality positively affects service delivery and the management of relationships improves service delivery.

It is observed that like in other sectors and jurisdictions, insurance companies in Kenya sought to create and maintain cordial relationships with other stakeholders,

mainly customers. Interestingly, insurance companies in Kenya endeavoured to have good relations with their competitors, a factor that corresponds with the observed high level of healthy competition within the industry. However, although there is a high level of cordial relationships with government agencies, insurance companies in Kenya seems to have a low regard for relationships with the government and its agencies.

4.4.2 Descriptive Statistics for Emotional Intelligence

Emotional intelligence was the second independent variable in the study. The variable was considered because of its contribution to employee's stability for effective decision making. Brackett et al., (2011) observed that it is important for the management staff to understand emotion, assimilate it and reason with it in their minds. In this study, emotional intelligence was measured through self-awareness, self-management, social awareness, and interpersonal relations management as suggested by Nagarajan and Jiji (2012). At the same time, the participants were required to give their feedback to a number of statements by indicating the extent to which they agreed that their insurance company undertook each. The results are as presented in Table 4.6

Table 4.6: Descriptive Statistics for Emotional Intelligence

	n	Min	Max	Mean	Std. Dev.
Our company endeavours to establish the strengths and weaknesses of our staff.	153	2	5	4.01	.827
This company strongly emphasise on management of relationships within the organisation	153	1	5	3.98	.892
We pride in having the best interpersonal relations management in our organization	153	1	5	3.92	.892
A key pillar of our success is good employer – employee relations	153	1	5	3.14	1.161
We train our staff on how to control themselves through tasks	153	1	5	2.46	1.230
We encourage our staff to work in teams	153	1	5	2.37	1.056
This company regularly undertake to assess the staff level of self-awareness	153	1	5	2.07	1.151
Our company always seek to establish the staff level of social awareness	153	1	5	2.03	1.100
A key pillar of our success is good employee – employee relations	153	1	5	1.98	1.138
We train our staff on self-awareness on a regular basis	153	1	5	1.91	1.132
Aggregate Score				**2.787**	**1.0579**

The outcomes in Table 4.6 indicates that most insurance companies in Kenya endeavoured to establish the strengths and weaknesses their staff to a great extent, strongly emphasise on management of relationships to a great extent and pride in having the best interpersonal relations management a great extent as shown by the mean scores of 4.01, 3.98 and 3.92 respectively and standard deviations of 0.827, 0.892 and 0.892 respectively. The study also found that employer to employee relations formed a key pillar of success in the insurance companies in Kenya to a

moderate extent as shown by the scores 3.14 and 1.161 for average and standard deviation respectively.

The results also indicates that insurance companies in Kenya trained their staff on how to control themselves but to a low extent, encourage teamwork among staff to a low extent, regularly assess the staff level of self-awareness to a low extent, always seek to establish the staff level of social awareness to a low extent, encourage good employee relations and trained their staff on self-awareness on a regular basis to a low extent as shown by a mean scores of 2.46, 2.37, 2.07, 2.03, 1.98 and 1.91 and standard deviations of 1.230, 1.056, 1.151, 1.100, 1.138 and 1.132 respectively. On aggregate, the results shows a mean score of 2.787 indicating that emotional intelligence had a moderate effect on the performance of insurance companies in Kenya.

The results were in line with the findings of Watson (2000) who observed that emotional intelligence plays a significant role in personal career development and in motivating people to act as well as control their actions.. The results posted in this study also agreed with the conclusions reached by Acha (2013) who conducted a study on the association existing between emotional intelligence and employee motivation to job performance.. The outcome of the research indicated a favourable relationship between the research variables.. In addition, Mwathi (2013) found a moderate and favourable association between emotional intelligence and job performance while Omondi (2016) found a significant and a strong relationship between manager's emotional intelligence and employee job satisfaction.. However, Birgit (2010) showed that, no significant association exists between transactional leadership style and emotional intelligence.. However a positive association was

deduced between transformational style of leadership and emotional intelligence and an unfavourable association was deduced between laissez-faire style of leadership and emotional intelligence.

These results suggests that although the management of insurance companies in Kenya emphasised the role of emotional intelligence in achieving better performance only to a moderate extent, it has a positive relationship with performance in other sectors. Consequently, the management should emphasise on mapping emotional intelligence as a competence if better performance is to be realised in these companies.

When the respondents were requested to rate the relevance of emotional intelligence on the performance in their insurance company, the results were as shown in Table 4.7

Table 4.7: Relevance of Emotional Intelligence on Firm's Performance

	Frequency	**Percent**
Moderately	74	48.4%
Highly	61	39.9%
Lowly	18	11.8%
Total	**153**	**100.0**%

It is observed from Table 4.7 that most respondents as shown by 48.4% (74) believed that emotional intelligence was moderately relevant in influencing the firm's performance. 39.9% (61) believed that emotional intelligence was highly relevant in influencing the firm's performance while 11.8% (18) believed that emotional intelligence was lowly relevant in influencing the performance of Kenyan based insurance firms.

These results were consistent with conclusions reached by Watson (2000) who underscored the relevance of emotional intelligence in personal career development and motivation. The results also concurred with Acha (2013) postulations that emotional intelligence affects performance. Mwathi (2013) further showed that a moderate, positive, relationship does exist between emotional intelligence and job performance. However, the results of the study were inconsistent with conclusions reached by Nzomo (2012) who concluded that there is no significant association between emotional intelligence and job performance as measured through the length of service.

Based on these revelations it is deduced that, although insurance companies have recognised the role played by emotional intelligence as a recipe for better performance, most of them have not undertaken to emphasise on its identification and development. Thus, it is important for insurance companies to emphasise more on emotional intelligence amongst their staff and managers in a bid to improve on their performance.

4.4.3 Descriptive Statistics for Innovativeness

Innovativeness was the last independent variable in the study. The variable was used since it provides insurance companies with the right strategy whenever they experience challenges while trying to improve their performance. Kuratko et al., (2015) concluded that innovation is essential for any firm that hopes to attain a sustainable competitive advantage in its own industry and even globally. In this study, the variable was measured through new products and services, new strategies, introducing new technologies and stimulating new business processes. The participants were asked to give their answers to different statements indicating the

extent to which they agreed that their insurance company undertook to apply each of them in a scale of 5 where 5 represented a great extent, 4 represented a high extent, 3 represented a moderate extent, 2 represented a low extent while 1 represented no extent. The results were as presented in Table 4.8.

Table 4.8: Descriptive Statistics for Innovativeness

	n	Min	Max	Mean	Std. Dev.
The management of this company comes up with new strategies from time to time	153	1	5	4.05	1.005
This company always review the existing business processes to establish their effectiveness	153	1	5	3.63	1.175
The management of this company stimulates and develops new business processes	153	1	5	3.60	1.248
We pride to always introduce new technologies before our competitors	153	1	5	3.26	1.146
Our company always acquire the most up to date technologies	153	1	5	3.24	1.209
Our staff always recommend new strategies	153	1	5	3.16	1.077
Our company has tasked specific individuals and units to develop new products and services on regular basis.	153	1	5	3.08	1.217
Our research and development docket is the most innovative.	153	1	5	3.08	1.144
This company strongly encourage development of new products and services	153	1	5	3.01	1.227
We encourage our staff to suggest strategies that would help the firm address emerging issues	153	1	5	2.97	1.222
Aggregate Score				**3.308**	**1.167**

According to the outcomes as indicated in Table 4.8, most of the respondents believed to a great extent that Kenyan based insurance firms' managers came up with

new strategies from time to time with a mean score of 4.05. However, there was high variation among the respondents on the management coming up with new strategies from time to time as shown by a standard deviation of 1.005. The findings further revealed that insurance companies in Kenya always review the existing business processes to establish their effectiveness and stimulates and develops new business processes to a great extent as shown by average scores of 3.63 and 3.60 respectively. These results suggested that in most insurance companies, business processes are among the most observed elements of innovation. In spite of these revelations, it was noted that the respondents varied significantly on the ability of insurance companies to review the existing business processes and stimulate and develop new ones as shown by a high standard deviation of 1.175 and 1.248 respectively.

In addition, it was noted that most insurance companies in Kenya prides to always introduce new technologies before competitors, always acquire the most up to date technologies, have specific individuals and units tasked to develop new products and services on a regular basis, their research and development dockets are the most innovative, strongly encourage development of new products and services and encourage their staff to suggest strategies that would help the firm address emerging issues but only to a moderate extent as shown by mean scores of 3.26, 3.24, 3.16, 3.08, 3.08, 3.01 and 2.97 respectively. This suggests that insurance companies only moderately undertook to introduce new and updated technologies, new strategies and new products and services on a regular basis. Similarly, there was high variation in the responses posted by respondents as shown by the standard deviations of 1.146, 1.209, 1.077, 1.217, 1.144, 1.227, and 1.222 respectively.

On aggregate, the variable as shown by the average score of 3.308 indicates that the insurance companies only adopted innovativeness to a moderate extent. The aggregate standard deviation of 1.167 for innovativeness indicates that there was high variation among the respondents on adoption of innovativeness. This implied that although some insurance companies considered innovativeness as a relevant competence amongst their staff, the variable had only a moderate relevance in affecting the performance of Kenyan based insurance firms.

These results tallied with the findings of Kuratko et al., (2015) who postulated that innovation is essential for any firm that requires to attain a sustainable competitive advantage in its own industry and even globally. The authors further suggested that innovativeness is important because it provides a firm with a unique competitive advantage that allows the organisation to stay ahead of other firms in the industry, region and globally. The results were also in tandem with the conclusion made by Gunday et al., (2011) that innovativeness gives organisations strategies that they can adopt to solve existing challenges in the firm in order to achieve superior performance. The results were also consistent with the conclusions reached by Semadeni and Anderson (2010) who postulated that innovative capacity of a firm enhances imitation while on the other hand offering level traits lowers imitation. Additionally, Wanjiku (2014) showed that process, product, positioning, and paradigm types of innovation had a positive relationship with the performance of some business types of the MSEs.

The results posted in the study showcase a scenario whereby some insurance companies have undertaken innovativeness, particularly coming up with new strategies from time to time, reviewing existing business processes to establish their

effectiveness and at the same time stimulating and developing new business processes. However, some have not done so as was indicated by the high variations in the responses. The results however were consistent with the existing literature supporting that indeed innovativeness is positively related with performance of the firm.

The participants were further asked to rate the general level of innovation in their company and the results were as shown Table 4.9.

Table 4.9: Rating of the General Level of Innovation

	Frequency	**Percent**
Poor	24	15.7%
Good	52	34.0%
Satisfactory	59	38.6%
Excellent	18	11.8%
Total	**153**	**100.0%**

As shown in Table 4.9, most of the participants as shown by 38.6% (59) indicated that the level of innovation in their company was satisfactory, 34.0% (52) believed that it was good, 15.7% (24) noted that it was poor while only 11.8% (18) showed confidence that the level of innovation in their company was excellent. These results were consistent with the descriptive results on innovativeness which shows that most insurance companies in Kenya considered innovativeness relevant only to a moderate extent. Further the results concurred with previous scholarships (Semadeni and Anderson, 2010; Gunday et al., 2011; Wanjiku, 2014) which showed that innovation improves the effectiveness of the firm thus increasing the firm's performance.

Additionally, the respondents were required to rate the importance of development of new products and services, implementation of new strategies, introduction of new technologies and stimulating new business processes as aspects of innovativeness. The results were as shown in Table 4.10.

Table 4.10: Descriptive Statistics Importance of Innovativeness

	n	Min	Max	Mean	Std. Dev.
Implementation of New Strategies	153	2	5	4.31	.621
Stimulating new business processes	153	1	5	4.20	.795
Introduction of New Technologies	153	1	5	4.18	.736
Development of New Products and Services	153	2	5	4.05	.809
Aggregate Score				**4.185**	**.7403**

The outcome in Table 4.10 reveals that all the aspects of innovativeness (development of new products and services, implementation of new strategies, introduction of new technologies and stimulating new business processes) were important among the insurance companies in Kenya with an aggregate mean score of 4.185. Individually, implementation of new strategies was the most important aspect with a mean score of 4.31, followed by stimulating new business processes with a mean score of 4.20, introduction of new technologies with a mean score of 4.18 and development of new products and services with a mean score of 4.05

The results posted in this study shows mixed relationship with the existing empirical literature. For instance, the study by Wanjiku (2014) showed that process, product, positioning and paradigm types of innovation had a positive relationship with the performance of some business types of the MSEs in Kiambu Town which was similar to the results posted in this study. Similarly, Mugo (2012) came to the conclusion that financial innovation among MFIs resulted in enhanced growth for the organisations. Since better firm's performance may lead to its growth, the study finds congruence in the results posted by the two studies. However, the results in the study contradicted

with the conclusions reached by Ingenbleek et al., (2010) who showed that value-informed pricing strongly impacted the performance of new launched products, Hang (2014) who showed that formal innovation management that was inclusive of commercialisation, portfolio management, firm's culture and innovative strategy led to improved managers confidence over the expected returns. Insurance companies in Kenya should therefore encourage and promote innovativeness among all the employees in order to improve their performance.

4.4.4 Descriptive Statistics for Firm's Culture

Firm's culture was the moderating variable in this study and it was used due to the role organisation culture plays in external adaptation and internal integration which are vital to the performance and the growth of an organization. Firm's culture has been shown to have a positive direct linkage with performance, Mwangi and Murigu (2015) which makes it one of the firm's attributes associated with superior performance. It's on these grounds that this study sought to determine the moderating effect of firm's culture on the relationship between institutional competency mapping and performance of insurance companies in Kenya. The study operationalized firm's culture through adaptability, mission involvement and consistency as per Denison's (1990) recommendations. First, the participants were requested to express their opinion as to whether the company had an established organizational culture. The results were as shown in Table 4.11.

Table 4.11: Whether the Company had an Established Organizational Culture

	Frequency	**Percent**
Yes	118	77.1%
No	35	22.9%
Total	**153**	**100.0%**

As observed from Table 4.11, majority of the respondents 77.1% (118) indicated that they were confident that there existed an observable well established firm's culture in their company. On the other hand, 22.9% (35) indicated that their company did not have a well-established organisation culture. These results concurred with the observations made by Schein (2010) who showed that majority organisations develop institutional cultures which enable them to be adaptive to changes in the external environments while at the same time developing and maintaining internal consistency. The results reported postulate that many insurance companies had an established vision and shared values that generated consolidated identification with the organization. For instance, it was noted that the management of insurance companies in Kenya emphasised a lot on adherence to the company's mission of meeting the demand of their customers. The results further implied that there were observable trends and norms within the insurance companies in Kenya which provided guidelines to ensure that there is consistency and streamlined operations in the organisations.

The participants were further required to indicate the extent to which they were in agreement with the various aspects of firm's culture that the insurance company undertook. The descriptive results on the variable were as shown in Table 4.12.

Table 4.12: Descriptive Statistics for Firm's Culture

	n	Min	Max	Mean	Std. Dev.
The procedures of this company are aimed at meeting the company's mission	153	1	5	3.92	.956
This company always endeavour to meet market demands.	153	1	5	3.65	1.205
The products of this company are aimed at meeting the company's mission	153	1	5	3.65	1.109
Our company has set guidelines to ensure there is consistency in our results	153	1	5	3.63	1.152
The management of our company is adaptable to the new developments in the industry and economy.	153	1	5	3.63	1.123
Our company supports our staff in generating new methods	153	1	5	3.59	1.091
Our procedures are entirely directed by our goals and mission.	153	1	5	3.58	1.250
This company prides in consistently motivating our staff to scale to greater heights	153	1	5	3.51	1.187
We regularly review our products to ensure we meet customer demands	153	1	5	3.50	1.193
We encourage consistency in our operations and processes	153	1	5	3.37	1.352
Our staff feel free to engage with the top management in developing organisation policy	153	1	5	3.32	1.346
We always encourage an all-inclusive approach to management	153	1	5	3.32	1.341
Our company involves the staff in decision making processes	153	1	5	3.31	1.364
This company often hold consultative meetings with our employees	153	1	5	3.24	1.404
Aggregate Score				**3.516**	**1.220**

The findings in Table 4.12 revealed that most insurance companies in Kenya set procedures aimed at meeting the company's mission, always endeavour to meet market demands, make products aimed at meeting the company's mission, have guidelines to ensure there is consistency in their results and their management is adaptable to the new developments in the industry and economy to a great extent as shown by mean scores of 3.92, 3.65, 3.65, 3.63 and 3.63 respectively. However, there were disagreements among respondents on these attributes as shown by high standard deviations of 0.956, 1.205, 1.109, 1.152 and 1.123 respectively. At the same time the descriptive results shows that most insurance companies supports their staff in generating new business models, their procedures are entirely directed by their goals and mission, prides in consistently motivating their staff to scale to greater heights and regularly review their products to ensure that they meet customer demands to a great extent as shown by mean scores of 3.59, 3.58, 3.51 and 3.50 respectively with standard deviations of 1.091, 1.250, 1.187 and 1.193 respectively.

In addition, the outcomes revealed that majority of insurance companies in Kenya encouraged consistency in their operations and processes, encouraged their staff to freely engage with the top management in developing organisation policy, encouraged an all-inclusive approach to management, involved the staff in decision making processes and often held consultative meetings with their employees but only to a moderate extent as shown by mean scores of 3.37, 3.32, 3.32, 3.31 and 3.24 respectively with standard deviations of 1.352, 1.346, 1.341, 1.364 and 1.404 respectively. From the results, it was clear that the most adopted element of firm's culture was to set procedures aimed at meeting the company's mission. Collectively, firm's culture had an aggregate score of 3.516 and a standard deviation of 1.220. These outcomes indicate that most insurance companies believed that firm's culture

was relevant in influencing organisational performance to a great extent as indicated by the aggregate mean score of 3.516. Additionally, the results show that there was high variation in the adoption of the various attributes of culture as indicated by the high aggregate standard deviation of 1.220.

The results on this variable concurred with the existing literature. For example, Saele (2007) showed a close association between the existing and the future preferred firm's culture. Nina (2013) revealed that there is a positive and influential relationship between the firm's culture and performance, Olanipekun et al., (2013) revealed a positive correlation between the firm's culture and performance. At the same time, the study by Odhiambo et al., (2015) showed that organizational culture has a positive influence on performance, industry competition has a moderate positive influence on firm's performance and finally, the effect of the firm's culture and competition in the industry on a firm's performance was found to be significant while Oduol (2015) established that organizational culture boosts firm's performance. From the aggregate mean score of 3.516, firm's culture among the insurance companies was to a great extent relevant in influencing organisational performance.

4.4.5 Descriptive Statistics for Performance

Organization performance was the independent variable in the study. The variable was used in this research since organisations seek to establish competences gained by the employees so as to improve their performance. In this study, performance was measured through sales volume, return on assets and return on equity. To facilitate analysis, the data collected using a secondary data collection sheet was converted into a 5-point Likert scale. Regarding sales, 1 represented values less than one billion, 2 represented values greater than one billion but less than two billion, 3 represented

values greater than two billion but less than three billion, 4 represented values greater than three billion but less than four billion while 5 represented values greater than four billion. On profitability ratios, 1 represented a ratio less than 0%, 2 represented a ratio greater than 0% but less than 10%, 3 represented a ratio greater than 10% but less than 20%, 4 represented a ratio greater than 20% but less than 30% while 5 represented a ratio greater than 30%. The results on descriptive analysis were as indicated in Table 4.13.

Table 4.13: Descriptive Statistics for Performance

	n	Minimum	Maximum	Mean	Std. Deviation
Sales Volume	153	1	5	3.3497	.89928
ROE	153	1	5	3.3399	.93396
ROA	153	1	5	3.3098	.91499
Aggregate Score	**153**			**3.333**	**0.916**

The outcomes from Table 4.13 indicates that most insurance companies had sales volumes ranging between two billion shillings and three billion shillings as shown by a mean score of 3.3497. However, there was a high standard deviation of 0.89928 indicating that although some of the large insurance companies had good performance and were able to generate over four billion shillings in revenues, other insurance companies had poor performance generating less than one billion shillings in revenue. These results were consistent with Mwangi and Murigu (2015) conclusions that poor performance among insurance companies had driven them insolvent.

Regarding profitability, return on equity ranked higher with a mean score of 3.3399 implying that most insurance companies were able to generate returns on equity

ranging between 10% and 20%. This means that for every shilling of equity capital contributed by shareholders towards the organisation through purchase of equity shares they were able to generate between 10% and 20% in returns. Regarding return on assets, the study established that the mean score was 3.3098 suggesting that most insurance companies were able to generate returns greater than 10% but less than 20%. This implied that in most insurance companies the management were able to generate a return of less than 20% of all the funds invested in assets. This indicates a low level of efficiency among the management to utilize the resources at their disposal to generate returns. The high standard deviation of 0.93396 for return on equity and 0.91499 for return on assets further suggests that there was high deviation in the efficiency of the management in utilising equity funds and assets.

The aggregate mean score for performance was 3.333 which indicates that the insurance industry in Kenya posted moderate results during the period. However, the results also show that there was high variability in these results as shown by the standard deviations. ROE had the highest dispersion with a standard deviation of 0.93396 followed by ROA with a standard deviation of 0.91499 and finally sales volume with a standard deviation of 0.89928.

The results posted on this variable agreed with the observations of IRA (2016) that the insurance industry in Kenya had faced hard economic times and demonstrated average performance with a number of insurance companies collapsing and exiting the market. Similarly, Ngugi (2007), Ndura (2010), Alipour (2012), Ntinyari (2014) and Mwangi and Murigu (2015) indicated that changing interest rates, mispricing of insurance policies, natural catastrophes, changes in legal framework, false claims by fraudulent customers, inadequate human resource capacities and competences had led

to poor performance and mortality of most insurance companies in Kenya. These findings show that while there are some insurance companies that are performing well there are some others that produce very poor results.

4.5 Diagnostic Tests

Diagnostic tests were conducted before analysis of data could be done to establish the validity of the study results. The main diagnostics tests done included multicollinearity, normality, Heteroscedasticity and autocorrelation.

4.5.1 Multicollinearity Test

The study tested for multicollinearity of the independent variables using Tolerance and Variance Inflation factor (VIF) from the recommendations of Iacobucci et al., (2017). If the VIF value is lower than 3, it shows lack of multicollinearity. VIF values of 5 suggests that there could be some level of multicollinearity. However, VIF values of 10 or tolerance values lower than 0.1 suggests that there is a high multicollinearity problem. In this study, Iacobucci et al., (2017) recommendation that VIF values less than 3 indicates absence of multicollinearity was adopted. To test for multicollinearity, firm's culture was regressed against the three independent variables and the results were as presented in Table 4.14.

Table 4.14: Collinearity Coefficients

	Collinearity Statistics	
	Tolerance	**VIF**
Innovativeness	.984	1.016
Relationship Management	.987	1.013
Emotional Intelligence	.988	1.012

a. Dependent Variable: Firm Culture

As indicated in Table 4.14, it was established that the VIF and tolerance level scores for innovativeness were 1.016 and 0.984, relationship management had 1.013 and 0.987 for each of the tests while emotional intelligence had scores of 1.012 and 0.988

for each. These results were explained based on recommendations of Iacobucci et al., (2017). Since the VIF values for all the variables were less than 3, the study concluded that there was no multicollinearity.

4.5.2 Normality Test

The study sought to establish if the collected data was normally distributed over the population sample or not. To do this the study used Shapiro-Wilk test for the dependent and independent variables. Following the recommendations of Field (2013) a variable was considered normally distributed if the P-value for the Shapiro-Wilk test statistic was found to be greater than 0.05 significance level. The results were as shown in Table 4.15.

Table 4.15: Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
Variable	**Statistic**	**Df**	**Sig.**	**Statistic**	**df**	**Sig.**
Organisation Performance	.044	152	.200*	.991	152	.474
Firm Culture	.074	152	.042	.987	152	.177
Innovativeness	.063	152	.200*	.992	152	.518
Emotional Intelligence	.091	152	.004	.988	152	.226
Relationship Management	.062	152	.200*	.991	152	.413

a. Lilliefors Significance Correction

The findings in Table 4.15 reveals that the Shapiro-Wilk test Statistic and significance levels for each of the variables were as follows: organisation performance was 0.991 and 0.474, relationship management scores were 0.991 and 0.413, and emotional intelligence had scores of 0.988 and 0.226, innovativeness shows scores of 0.992 and 0.518 while firm culture scores were represented by 0.987 and 0.177 respectively. Based on the recommendations of Field (2013) that a variable is only normally distributed if the P-value for the Shapiro-Wilk test statistic is greater than 0.05, the results obtained in the study shows that the P-values for the statistic test were all

higher than the significance level of 0.05 implying that the variables had a normal distribution hence fit for analysis.

These normality test results were correlated with histograms and normal Quartile-Quartile (Q-Q) plots as shown in figures 4.1 to 4.10. According to Myoung (2008) recommendations, a variable is normally distributed if the plotted histogram assumes a bell-shaped curve, should be symmetrical around the mean, and the tails of the curve approach the X-axis but do not touch it. On the other hand, Q-Q plots, though somewhat subjective, allows a researcher to see at a glance if the normality assumption for the data is plausible (Field, 2009). Data is said to be normally distributed if the plotted points roughly forms a straight line. Figure 4.1 shows the resulting histogram from the data collected on performance of insurance companies in Kenya.

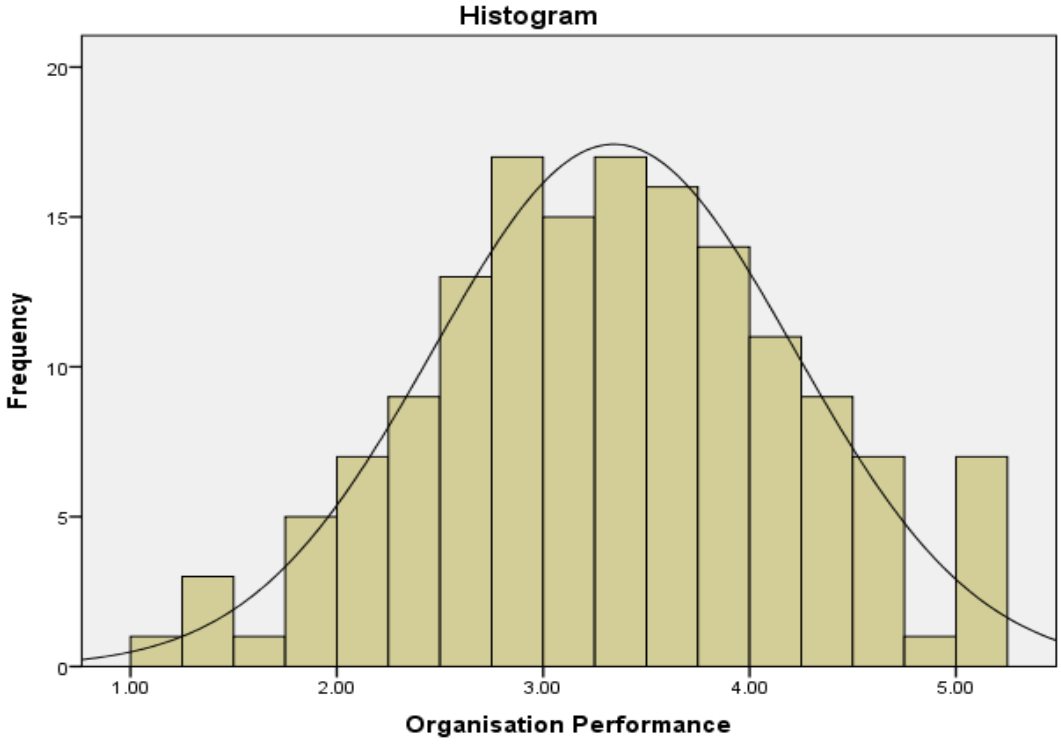

Figure 4.1: Histogram for Organisation Performance

The histogram displayed in figure 4.1 assumes a bell shaped curve and it is symmetrical in shape. Most bars ranged from two to five with their heights ranging from five to fifteen. Myoung (2008) recommends that for a normally distributed data, the histogram and /or frequency curve should be bell shaped and symmetrical. Thus based on the recommendations of Myoung (2008) the study found that the data obtained on organisation performance for insurance companies was normally distributed and suitable for inferential analysis. The related Q-Q Plot was as shown in figure 4.2.

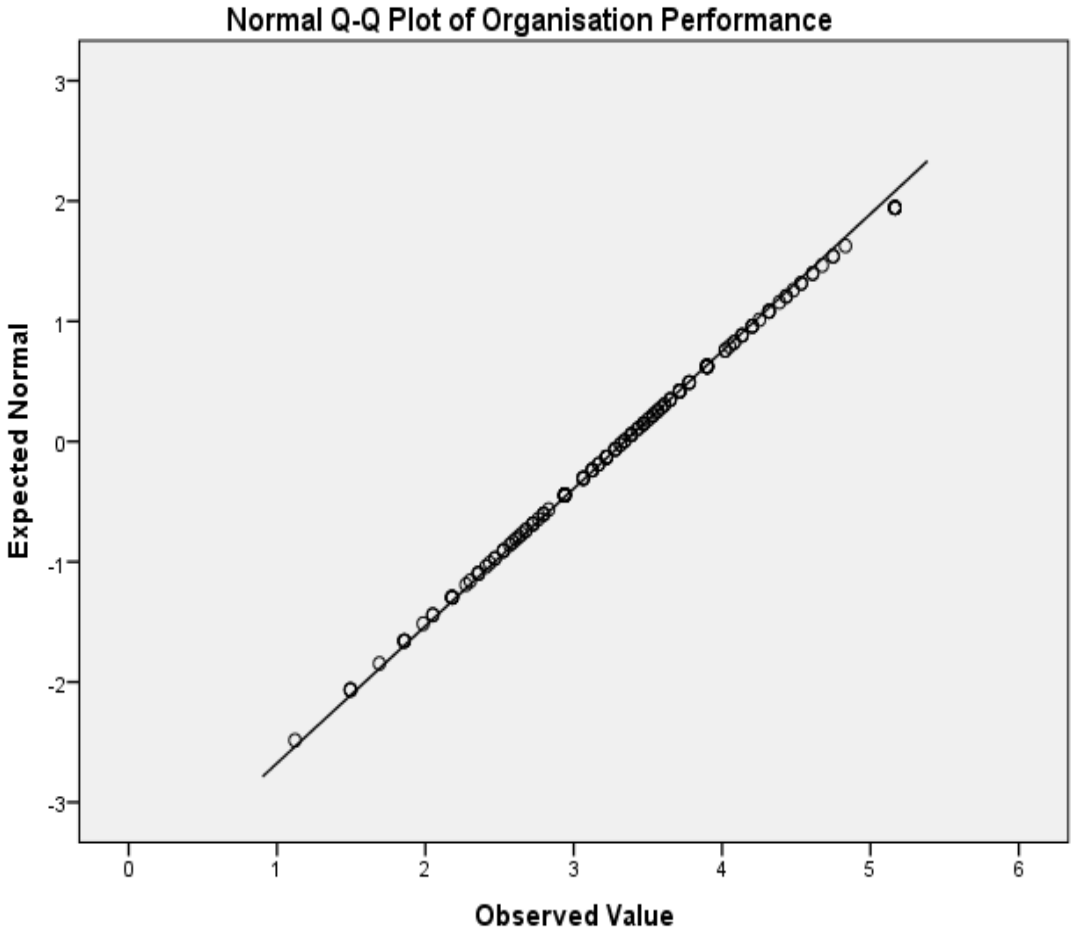

Figure 4.2: Normal Q-Q Plot for Organisation Performance

The scatter plots in figure 4.2 shows that the plotted points for organisation performance were close to each other and move in the same direction. The plotted points were also noted to form a roughly straight line. Thus, in line with Field (2009) recommendations that if the probability plot results in points that are close to each other forming a straight line, then a normal distribution exists, the study found the data to be normally distributed.

Figure 4.3 shows a histogram plotted from data collected on Relationship management.

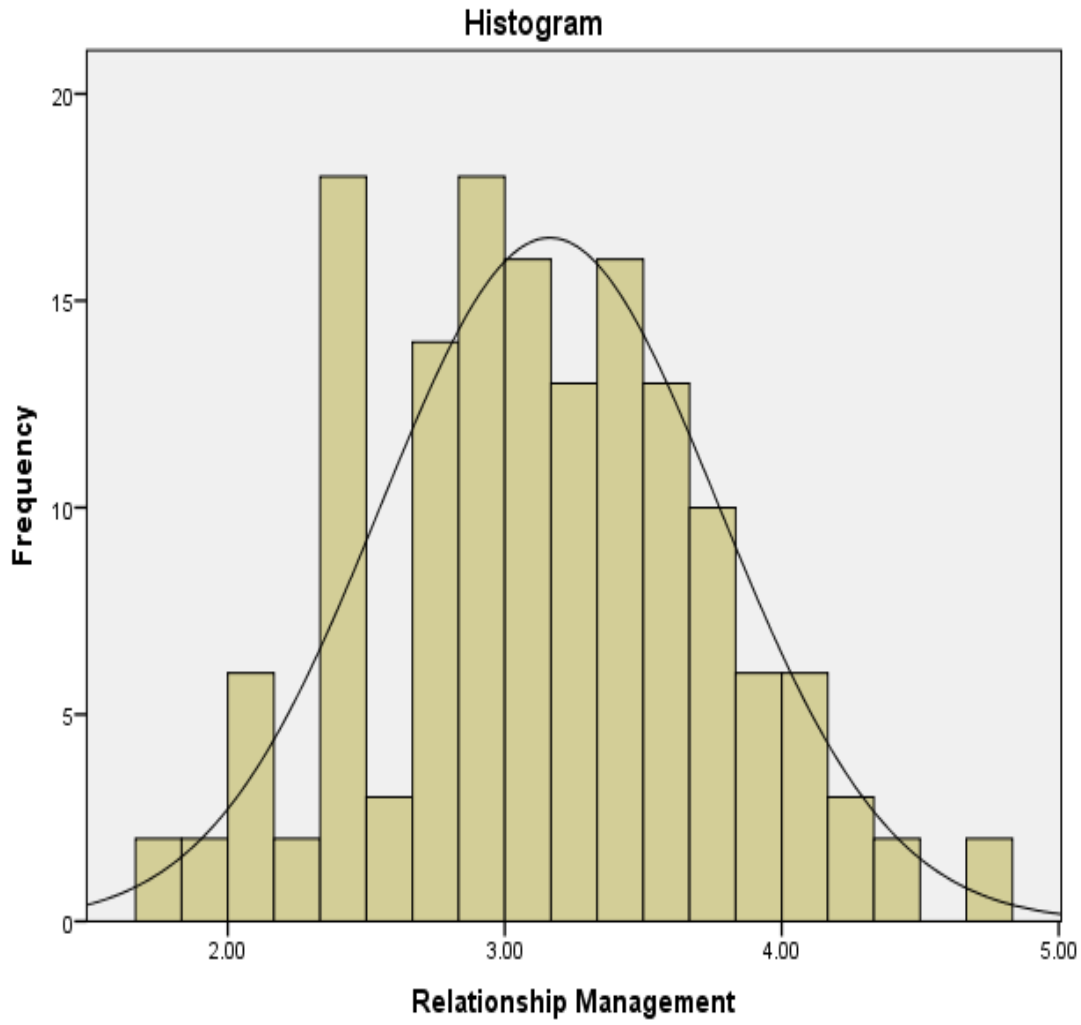

Figure 4.3: Histogram for Relationship Management

Figure 4.3 indicates that the histogram and the imposed frequency curve for relationship management assumes a bell-shaped curve. Further, the frequency curve is symmetrical according to recommendations given by Myoung (2008) implying that the data obtained on relationship management assumes a normal distribution. The study therefore finds that the data for relationship management is normally distributed and is valid for analysis. The associated Q-Q plot was as shown in figure 4.4.

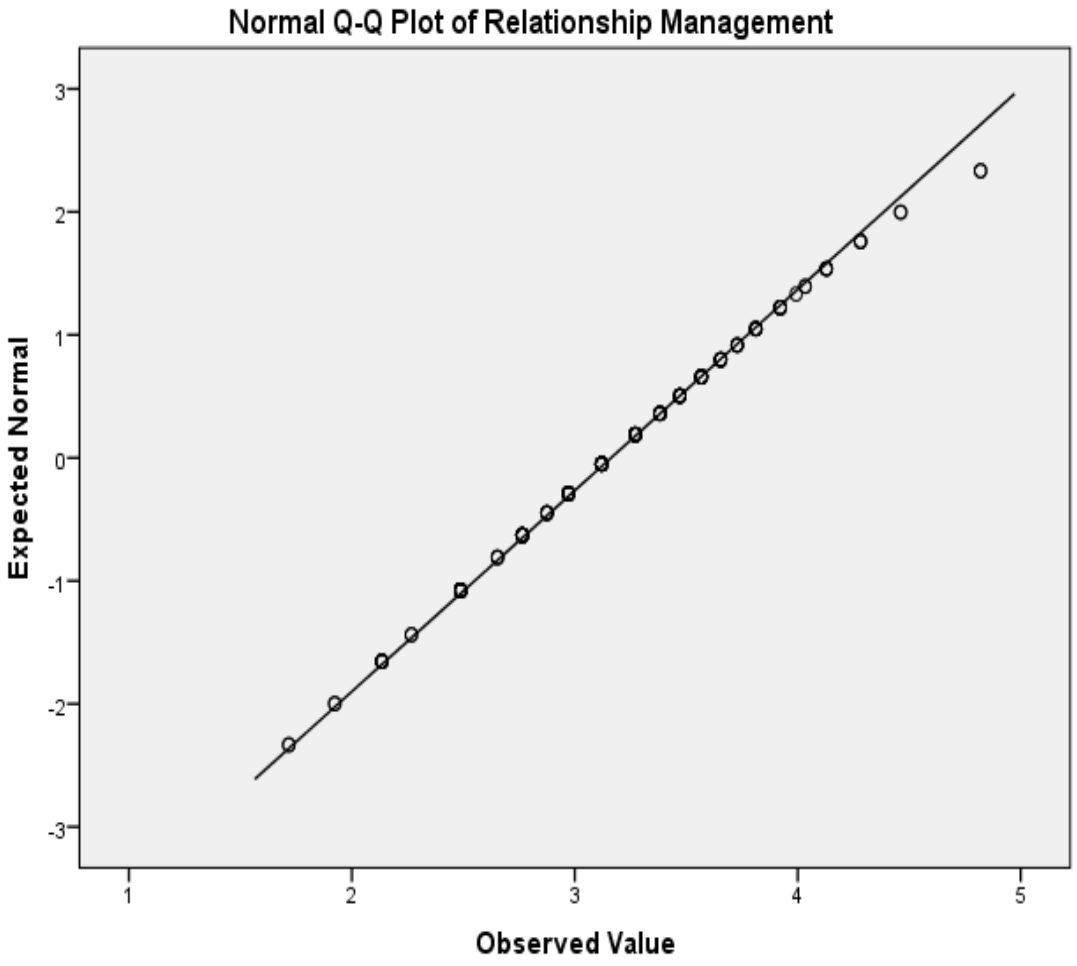

Figure 4.4: Normal Q-Q Plot for Relationship Management

The plotted scatter points for relationship management as shown in the diagram are moving upwards to the right suggesting a positive relationship existing between the variables. Further, the plotted points were close to each other almost forming a straight line. Thus, following the recommendations of Field (2009) the Q-Q plot

showing a straight line suggests that the data obtained on relationship management was normally distributed with a high positive correlation.

The following Figure 4.5 shows a histogram for emotional intelligence with an imposed frequency curve.

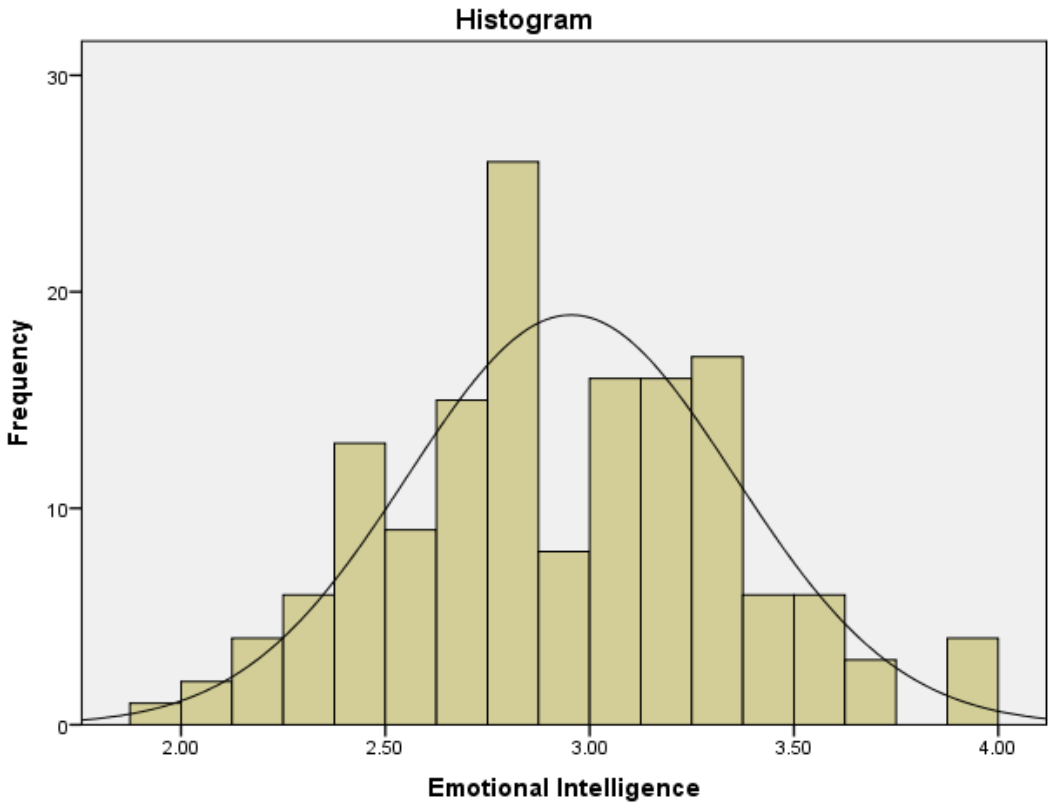

Figure 4.5: Histogram for Emotional Intelligence

The histogram for emotional intelligence shown in Figure 4.5 indicates that the most of the data fell between 2.5 and 3.5 which is approximately 50% of the data. Most bars had frequencies ranging from five to fifteen. The bars form a bell-shaped normal curve implying a normal distribution. According to Myoung (2008) recommendations, a variable is normally distributed if the plotted histogram assumes a bell-shaped curve. The study therefore observes that the data on emotional

intelligence was normally distributed and valid for regression analysis to be conducted.

The data obtained on emotional intelligence was also presented on a normal Q-Q plot as shown in figure 4.6.

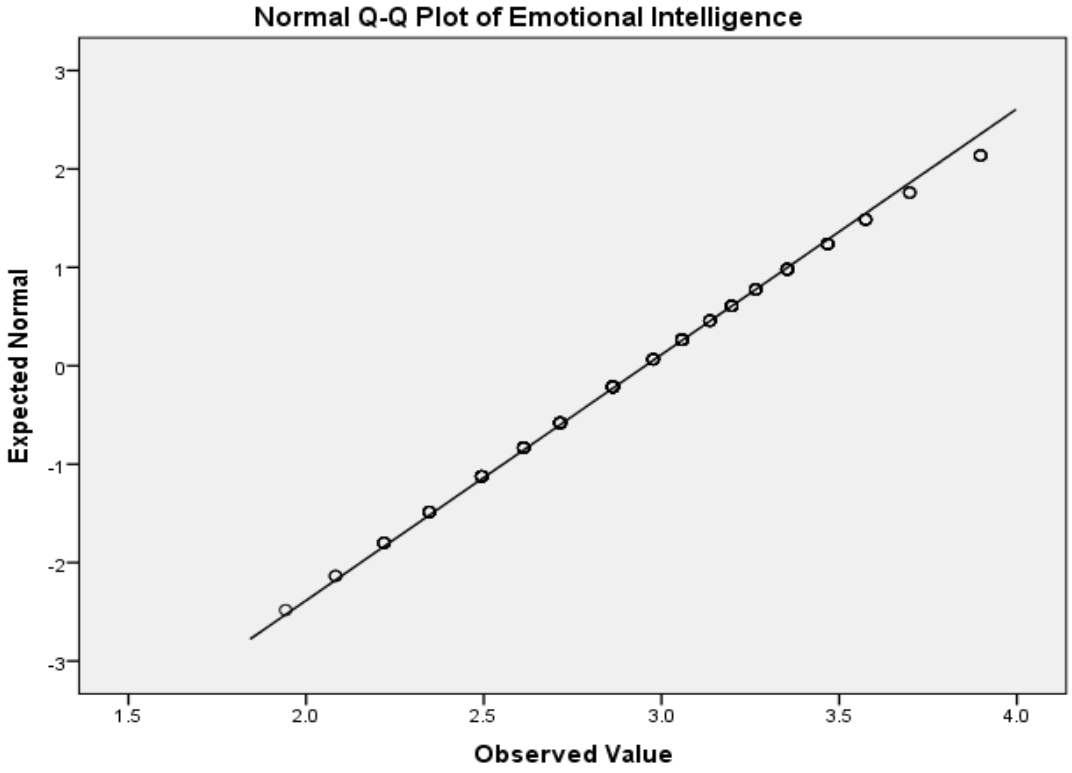

Figure 4.6: Normal Q-Q Plot for Emotional Intelligence

The scatter plots in figure 4.6 shows that the plotted points for emotional intelligence are moving upwards to the right almost forming a straight line. This suggests that there was a strong positive correlation between the quartiles of responses given by the respondents. These results were in line with Field (2009) recommendations that if the probability plot shows points close to each other almost forming a straight line then a normal distribution that has a highly positive correlation exists. From figure 4.6, the study therefore established that the data for emotional intelligence was normally distributed and regression analysis could be carried out.

The study also presented the obtained data for innovativeness on a histogram as shown in figure 4.7.

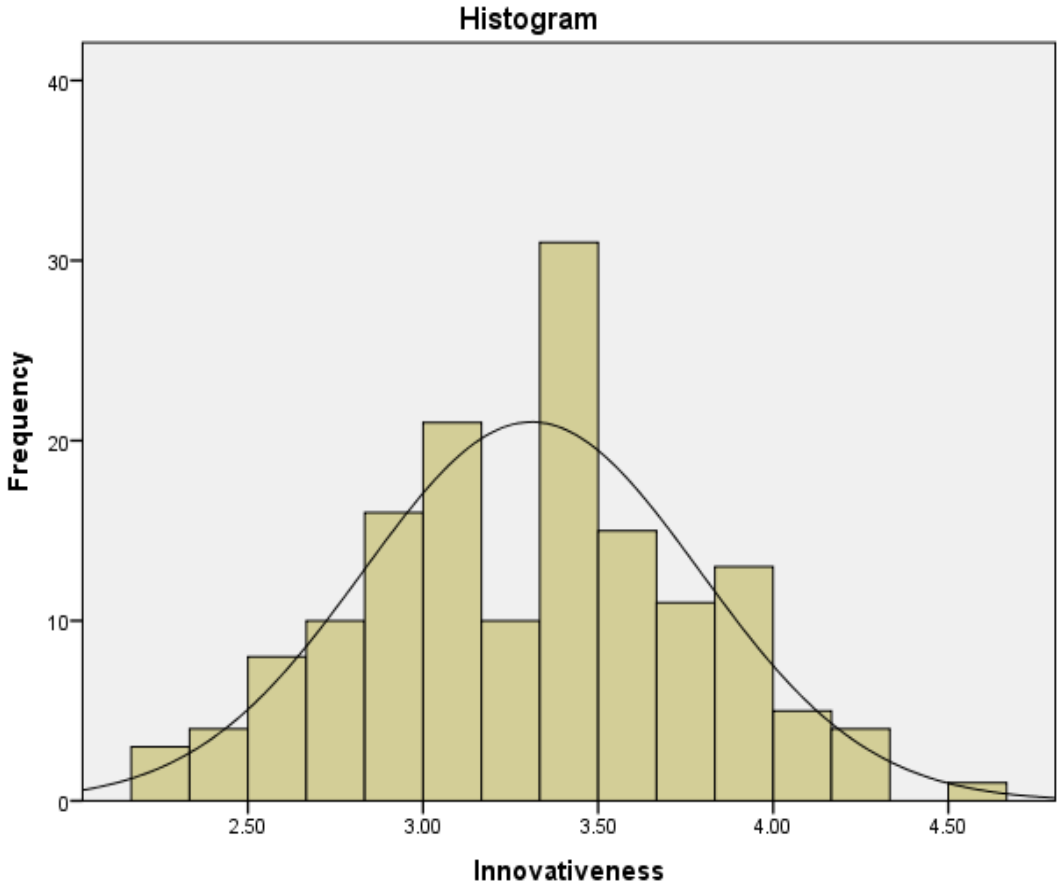

Figure 4.7: Histogram for Innovativeness

The histogram in figure 4.7 shows that most of the data points ranged between two and four. It is also observed that most of the observations had a frequency ranging from ten to twenty. Although one bar had a frequency much higher than twenty, the imposed frequency curve assumed a bell shaped curve which is symmetrical. The study thus concluded that the data for innovativeness was normally distributed on the basis of Myoung (2008) recommendations that a variable is normally distributed if the plotted histogram assumes a bell-shaped curve which is symmetrical.

A normal Q-Q plot was plotted for the same data and the results were as shown in figure 4.8.

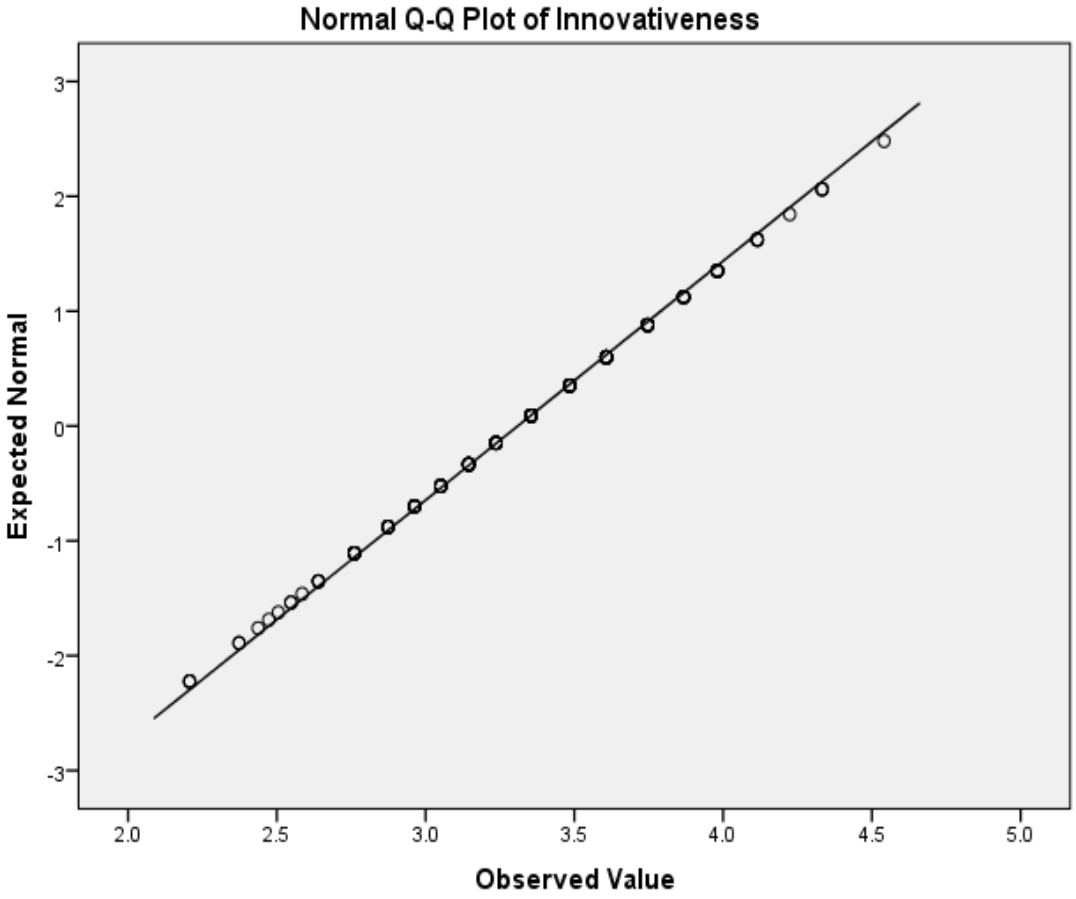

Figure 4.8: **Normal** Q-Q Plot for Innovativeness

Figure 4.8 shows that the plotted points are close to each other and almost form a straight line which indicates that there was a strong positive correlation between the quartiles of responses given by the respondents. Field (2009) indicated that if a probability plot has points close to each other and gives a straight line then the data was obtained from a population that was normally distributed. Based on these recommendations, the study established that innovativeness was normally distributed and therefore the data was fit for regression analysis.

To establish the normality of data obtained on firm's culture, a histogram as shown in figure 4.9 was plotted.

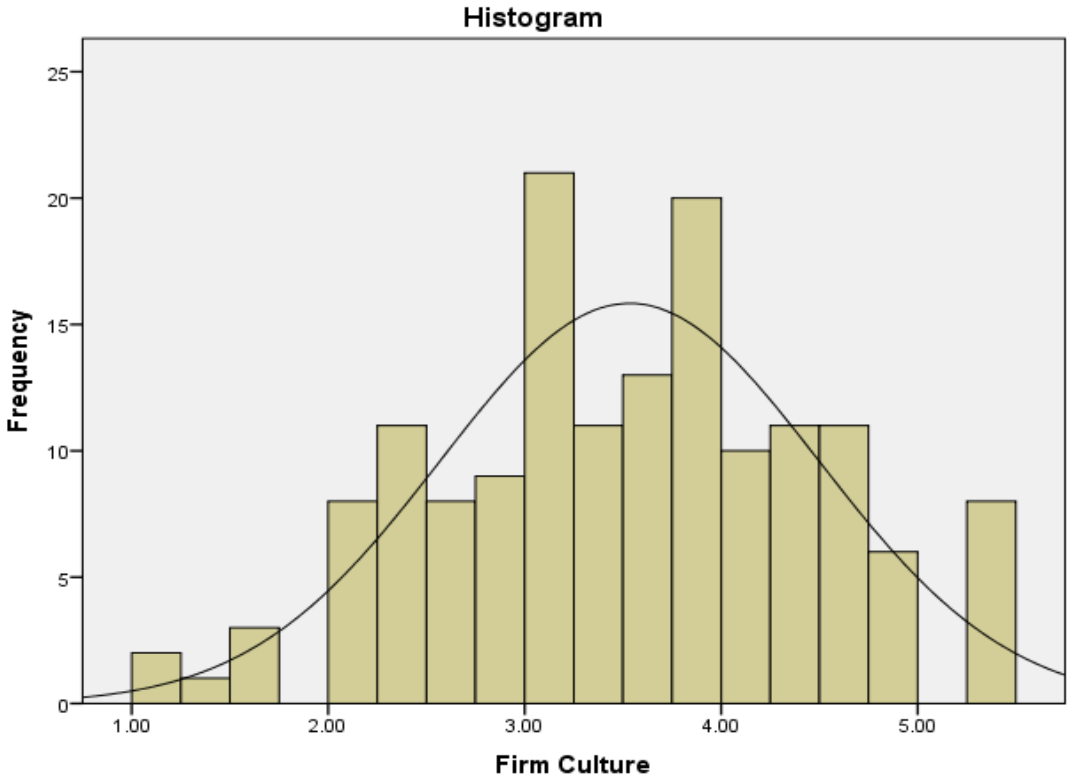

Figure 4.9: Histogram for Firm's Culture

The histogram for firm's culture shown in figure 4.9 shows that most of the observations ranged between two and five and most bars had a frequency ranging between five and ten. Thus, although there were some values that were much less than two and some two bars had a frequency much more than ten, the study finds that the histogram was predominantly bell shaped and symmetrical at the centre. Further, the imposed frequency curve was bell-shaped. Based on the recommendations of Myoung (2008) the study found that the data for firm's culture is normally distributed and was thus fit for regression analysis.

A normal probability plot was also plotted for the firm's culture data and the resulting plot was as shown in figure 4.10

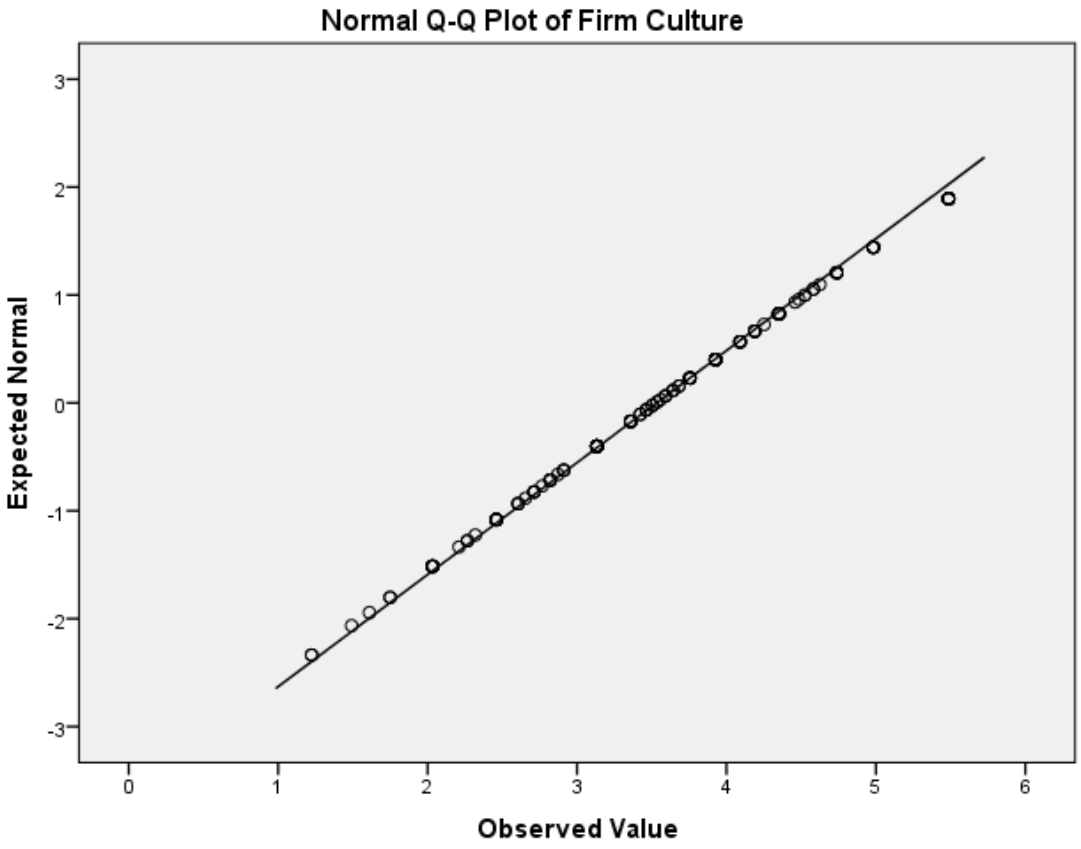

Figure 4.10: Normal Q-Q Plot for Firm's Culture

The scatter plots in figure 4.10 indicates that the plotted points for firm's culture were moving upward to the right, close to each other almost forming a straight line. This suggests that the quartiles for the actual data and the estimated points were close to each other and having a strong correlation. Thus, since the recommendations of Field (2009) that a normally distributed data shows scatter plots that are close to each other and almost forming a straight line were met in this plot, it was concluded that the obtained firm's culture data was normally distributed and fit for inferential analysis.

In general, the study established that the data obtained on all the variables was normally distributed based on the histograms and the normal probability Q-Q plots.

This is because, all the histograms approximated a normal distribution with a bell-shaped curve while all the normal Q-Q plots had the plotted points close to each other forming a straight line. Consequently, based on the recommendations of Field (2009) and Myoung (2008) the study concluded that all the study variables were normally distributed and therefore fit for inferential analysis.

4.5.3 Test for Heteroskedasticity

The study sought to determine if the error terms had a constant variance. To test for heteroskedasticity, the study used Breusch-Pagan test on the null hypothesis that heteroskedasticity was not present. The decision on whether the error terms had constant variance was based on P-values. If $P \leq 0.05$, the researcher would reject the null hypothesis and the conclusion made was that there is heteroskedasticity but if $P \geq 0.05$, the null hypothesis was accepted indicating that heteroskedasticity does not exist. The results for Breusch-Pagan test are revealed in Table 4.16.

Table 4.16: Breusch-Pagan and Koenker test statistics and sig-values

Test	LM	Sig
BP	9.278	.055
Koenker	6.214	.184

Null hypothesis: heteroskedasticity not present (homoskedasticity).
If sig-value less than 0.05, reject the null hypothesis.

The findings as shown in Table 4.16 indicates that the test statistic (Lagrange multiplier (LM)) for Breusch-Pagan (BP) test was 9.278 with a significance level of 0.055. At the same time, the test statistic for Koenker test was 6.214 with a significance level of 0.184. In both cases it was found that the significance level was greater than the 0.05 and therefore the null hypothesis was not rejected and the conclusion made was that there was no heteroskedasticity.

4.5.4 Test for Autocorrelation

In this section, the research required to determine if the errors terms are uncorrelated with one another over time or across the variables. To test for autocorrelation, the study adopted Durbin-Watson Test. The decision on whether autocorrelation existed or not was based on Field (2009) recommendations that if d equals around 2, there is no autocorrelation. However, if d is less than 1.0 and tends towards zero, it indicates that successive error terms have a positive correlation and if d is greater than 2 and tends toward 4, the successive error terms have a negative correlation. The Durbin-Watson test statistic tested the null hypothesis that the residuals from the regression were not autocorrelated and the results are as shown in Table 4.17.

Table 4.17: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.848[a]	.719	.711	.47137	1.765

a. Predictors: (Constant), Firm Culture, Emotional Intelligence, Innovativeness, Relationship Management
b. Dependent Variable: Organisation Performance

The outcomes in Table 4.17 indicates that that the Durbin-Watson test statistic was 1.765 which is close to 2 showing that the residuals from the regression were not autocorrelated. Similarly, from the Durbin-Watson significance tables, it was found that the lower limit was 1.73 while the upper limit was 1.81. Since 1.765 falls within the two limits the study concluded that there was absence of autocorrelation.

4.6 Inferential Analysis

Inferential analysis was carried out using of Karl Pearson's correlation coefficient and multiple regression analysis.

4.6.1 Correlation Analysis

Correlation analysis was conducted to establish if the variables in the study were correlated with each other. To do this Karl Pearson's Correlation was conducted. The conclusion on the strength or weakness of the correlation coefficient was determined in regard to Dancey and Reidy (2004) who stated that if the correlation coefficient is equal to 1, then perfect correlation exists, if correlation coefficient lies between 0.7-0.9, there is a strong correlation, if correlation coefficient lies between 0.4-0.6 there is moderate extent correlation, if correlation coefficient lies between 0.1-0.3, there is weak correlation and if correlation coefficient is 0, then there is no correlation. The outcomes of the correlation analysis were as shown in Table 4.18.

Table 4.18: Correlations coefficients

		Organisation Performance	Relationship Management	Emotional Intelligence	Innovativeness	Firm Culture
Organisation Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	153				
Relationship Management	Pearson Correlation	.282**	1			
	Sig. (2-tailed)	.000				
	N	153	153			
Emotional Intelligence	Pearson Correlation	.094**	.070	1		
	Sig. (2-tailed)	.000	.390			
	N	153	153	153		
Innovativeness	Pearson Correlation	.096**	.095	.088	1	
	Sig. (2-tailed)	.000	.246	.282		
	N	152	152	152	152	
Firm Culture	Pearson Correlation	.840**	.219**	.093	.166*	1
	Sig. (2-tailed)	.000	.006	.254	.041	
	N	153	153	153	152	153

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

From the outcomes in Table 4.18, the correlation coefficients between organisation performance, relationship management, emotional intelligence, and innovativeness were 0.282, 0.094, and 0.096 respectively. These results indicate that there was a weak but positive correlation between organisation performance, relationship management, emotional intelligence, and innovativeness. These coefficients were significant with P-values of 0.000 which was less than the 0.05 significance level. The results also show that there was a strong positive correlation between organisation performance and firm's culture as shown by a coefficient of 0.840 which was significant at 0.05 significance level.

The results further shows that there was a weak positive correlation between relationship management, emotional intelligence, innovativeness, and firm's culture as shown by a coefficient of 0.070, 0.095, and 0.219 respectively. Further it was found that there was a weak positive correlation between emotional intelligence, innovativeness and firm's culture as shown by a coefficient of 0.088 and 0.093 respectively. Finally, the study found that there was weak positive correlation between innovativeness and firm's culture as shown by a coefficient of 0.166.

The correlation between relationship management and firm's culture had a significance level of 0.006 meaning that it was significant while the correlation coefficient between innovativeness and firm's culture had a significance level of 0.041 meaning that the relationship was significant. However, the correlation coefficient between organisation performance, emotional intelligence, and innovativeness had a significance level greater than 0.05 indicating that the relationship was not significant. At the same time, the correlation coefficient between relationship management, emotional intelligence and innovativeness had a

significance level of 0.390 and 0.246 indicating that the relationships were not significant. In addition, the correlation coefficient between emotional intelligence, innovativeness and firm culture had a significance level of 0.282 and 0.254 respectively indicating that the relationships were not significant.

In general, the results shows that there was a positive and significant correlation between performance of insurance companies in Kenya and all the study variables implying that an increase in institutional competency mapping leads to an increase in performance of insurance companies in Kenya. Amongst the independent variables, the study established that relationship management had the highest correlation with performance of insurance companies in Kenya which was followed by the correlation between innovativeness and performance while emotional intelligence was least correlated with performance. However, firm's culture, had the highest correlation with performance. Amongst the independent variables, the highest correlation was observed between relationship management and innovativeness. However, the relationship was not significant.

The correlation results are consistent with the findings of Mani (2013), who asserted that competency mapping aims to identify the knowhow and competencies evident among employees and incorporating them in the human resource management processes. He further argued that competences are necessary for the organization to achieve its goals. Competency mapping according to Suguna and Selvi (2013) helps to pinpoint the areas the employees are best at so that they can be assigned responsibilities in these areas to ensure their performance is at its best.

In addition, Rousku (2014) noted that competence identification, assessment and development are important components of intellectual capital modelling, motivation

and commitment of employees towards organization performance. Sinchu and Bhuvaneswary (2015) found that competency mapping may lead to better performance management as well as career and succession planning development. From the displayed results, performance has a positive relationship with all the variables implying that however weak or strong the relationship is, competency mapping techniques influences organisational performance. It is therefore very important for insurance companies in Kenya to employ the institutional competency mapping techniques in order to improve their performance.

4.6.2 Regression Analysis

Multiple regression analysis was done at 95% confidence level (α =0.05) to establish the nature of the relationship existing between the study variables with organisation performance as the dependent variable and institutional competency mapping as the independent variable. The research sought to examine the influence of institutional competency mapping on the performance of Kenyan based insurance firms. The results of the regression analysis were interpreted through the adjusted R^2 value, F-statistic, t-statistic and P values at P < 0.05 significance level. The model summary was as shown in Table 4.19.

Table 4.19: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.856[a]	.733	.728	.455

a. Predictors: (Constant), Innovativeness, Emotional Intelligence, Relationship Management
b. Dependent Variable: Organisation Performance

From Table 4.19 findings, the study shows that the coefficient of determination (adjusted R Square (R^2)) for the model was 0.728 which meant that the model could

successfully predict 72.8% of the variations in the performance of Kenyan based insurance firms. The results also implied that 27.2% of the changes in performance of insurance companies in Kenya are explained by other factors other than relationship management, emotional intelligence and innovativeness. This means that the model predicted the greater percentage of the variations in the performance of Kenyan based insurance firms.

To determine if the model was a good fit, the Analysis of Variance (ANOVA) test was done. The results for the analysis were revealed in Table 4.20.

Table 4.20: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	85.153	3	28.384	135.504	.003[b]
	Residual	31.002	148	0.209		
	Total	116.155	152			

a. Dependent Variable: Organisation Performance
b. Predictors: (Constant), Innovativeness, Emotional Intelligence, Relationship Management

The results shown in Table 4.20 shows that the F-statistic was 135.504 which was found to be greater that the F-critical of 2.6657. The conclusion made was that the model was a good fit to predict the dependent variable. Further, the F-statistic P-value was 0.003 which was lower than the level of significance of 0.05. Therefore, based on the significance level, the conclusion made was that the model was a good fit to predict organisation performance among insurance companies in Kenya. The coefficients obtained are indicated in Table 4.21.

Table 4.21: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.137	.809		2.641	.009
	Relationship Management	.390	.113	.272	3.447	.001
	Emotional Intelligence	.141	.048	.216	2.938	.004
	Innovativeness	.118	.021	.178	5.619	.000

a. Dependent Variable: Organisation Performance

The general regression model was as follows;

$$OP_F = \beta_0 + \beta_1 RM + \beta_2 EI + \beta_3 INN + \varepsilon$$

Where: OP_F = Organization Performance

RM = Relationship Management,

EI= Emotional Intelligence

INN = Innovativeness

β_0 = Constant

β_1=Regression Coefficients for Relationship Management

β_2 =Regression Coefficient for Emotional Intelligence

β_3 =Regression Coefficient for Innovativeness

ε= Random error term

As observed in Table 4.21 the Beta coefficient for the constant was 2.137 signifying that if institutional competency mapping was absent, the Kenyan based insurance firms' performance would be equal to 2.137. In addition, the coefficient for relationship management was 0.390 denoting that if each of the factors were held constant, an increase in relationship management by a single unit would result in a 0.390 increase in organization performance. Further, the beta coefficient for emotional intelligence was 0.141 implying that if every factor was held constant, an

increase in emotional intelligence by one unit would result to a 0.141 increase in organization performance. Moreover, the beta coefficient for innovativeness was 0.118 indicating that if all factors were held constant, organization performance of insurance companies in Kenya would increase by 0.118. The model was therefore summarised as follows;

$$OP_F = 2.137 + 0.390\ RM + 0.141\ EI + 0.118\ INN + \varepsilon$$

Where: OP_F = Organization Performance

RM = Relationship Management,

EI = Emotional Intelligence

INN = Innovativeness

ε= Random error term

The results also show that the t-values for relationship management, emotional intelligence and innovativeness were 3.447, 2.938 and 5.619 respectively. The t-values were higher compared to the t-critical value of 1.6550. Based on the t-values a conclusion was made that relationship management, emotional intelligence and innovativeness were significant in predicting Kenyan based insurance firms' performance. At the same time, the P-values for relationship management, emotional intelligence and innovativeness were 0.001, 0.004 and 0.000. Since all the variables had P-values less than 0.05 which was the significance level, the conclusion was made that all the independent variables were significant in predicting organizational performance of insurance companies in Kenya.

In terms of magnitude, the results in the model suggested that relationship management had the highest influence on performance of insurance companies in

Kenya followed by emotional intelligence while innovativeness had the least influence on the performance of insurance companies in Kenya.

The results reported in the model were in line with existing literature which postulates the importance of competency mapping in organisation performance. Viji (2016) averred that IT industry, being a knowledge-based industry needs a high level of intellectual capital, which will result in improved performance of a firm. Yasin and Ali (2016) on the other hand stated that a favourable association exists between competency mapping and work environment. Furthermore, Sinchu and Bhuvaneswary (2015) found that competency mapping may lead to better performance management as well as career and succession planning development. Marucha (2012) found that a positive relationship exists between core competencies and competitive advantage of insurance firms in Kenya.

Based on these results, it is construed that institutional competency mapping has a significant influence on the performance of Kenyan based insurance firms. The management of insurance companies should therefore seek to establish the capacity of the employees and management staff in terms of relationship management, emotional intelligence and innovativeness. This should then be followed by capacity building through training and development, seminars and workshops to bridge the skill gaps. Relationship management should be emphasised by encouraging stakeholders to provide feedback on services offered by the insurance companies, maintaining proper competition standards so as to have a healthy competition within the industry while at the same time seeking to understand their customers in order to meet their expectations.

Emotional intelligence should be emphasised by encouraging the management and staff to work on their interpersonal skills, understand their strengths and weaknesses, exercise personal control, and maintain good relations with the employer and their fellow workers. Similarly, innovativeness should be emphasised by encouraging employees to review the current strategies and come up with new ones from time to time while at the same time endeavour to create new products that meets the emerging needs for the customers.

The study also determined the effect of each of the independent variables and the moderating variable on each of the performance quantifiers (Sales volume; return on assets and return on equity). The objective was to determine which one among relationship management, emotional intelligence, innovativeness and firm's culture had the highest influence on sales volume, return on assets, and return on equity. Firstly, sales volume was regressed on relationship management, emotional intelligence, innovativeness and firm's culture. The summary results are reported in Table 4.22.

Table 4.22: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.307[a]	.094	.076	.86441

a. Predictors: (Constant), Innovativeness, Emotional Intelligence, Relationship Management, firm's culture

The findings in Table 4.22 indicates that the adjusted R square had a value of 0.076 implying that the model explained 7.6% of all the variations in the sales volume of insurance companies in Kenya. It also implies that 92.4% of all the changes in sales volume of insurance companies in Kenya are attributed to other influencers other than relationship management, innovativeness, and emotional intelligence and firm's culture. These results suggested that in spite of the significance of relationship

management, innovativeness, emotional intelligence and firm's culture in influencing the performance of the organization as shown in existing literature (Spreitzer & Porath, 2012; Velayudhan & Maran, 2013; Mahmood et al., 2014), the same was low regarding sales volume with the four constructs predicting 7.6% of all variations in sales volume of insurance companies in Kenya.

To test if the model was fit in predicting sales volume of insurance companies in Kenya, the researcher conduced an F-test in the analysis of variance and the outcomes were summarized in Table 4.23.

Table 4.23: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	81.981	4	20.495	74.089	.000[b]
	Residual	40.941	148	.277		
	Total	122.922	152			

a. Dependent Variable: Sales Volume
b. Predictors: (Constant), Innovativeness, Emotional Intelligence, Relationship Management, Firm Culture

The ANOVA results shows that the value for F-statistic was 74.089 higher than the critical F-value (4,148=2.4328). These findings led to the conclusion that the model could be used to predict the performance in insurance firms in Kenya. On the other hand, the study found that the P-value for the F-statistic value was 0.000, which was found to be lower than the 0.05 significance level. From the findings, the study also concluded that relationship management, innovativeness, emotional intelligence and firm's culture were adequate predictors of sales volume among insurance companies in Kenya.

To establish if the coefficients of relationship management, innovativeness, emotional intelligence and firm's culture were significant in predicting sales volume among

insurance companies in Kenya, the researcher conducted a student t-test for each of the four coefficients. The results are displayed in Table 4.24.

Table 4.24: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.672	.826		2.025	.045
	Firm Culture	.734	.046	.786	15.952	.000
	Relationship Management	.429	.116	.291	3.710	.000
	Emotional Intelligence	.136	.046	.1273	2.957	.004
	Innovativeness	.128	.014	.104	9.143	.000

a. Dependent Variable: Sales Volume

The summarized findings in Table 4.24 shows that the constant had an unstandardized coefficient of 1.672. These results shows that if relationship management, innovativeness, emotional intelligence and firm's culture were held constant at zero (0), the sales volume of insurance firms would be 1.672. The results also show that firm culture had an unstandardized coefficient of 0.734 suggesting that holding all other factors constant and changing firm culture by one unit would result in a 0.734 change in sales volume of insurance companies in Kenya.

Besides, the study noted that the unstandardized coefficient for relationship management was 0.429 suggesting that if each of the other factors were held constant, a single unit rise in relationship management would lead to a 42.9% increase in sales volume. This means that although a unit increase in relationship management would lead to an increase in sales volume, the increase would be less than fifty percent of the increase in relationship management.

The results also show that unstandardized coefficient for emotional intelligence was 0.136 meaning that if each of the other factors were kept constant, a single unit rise in emotional intelligence would lead to a 13.6% per cent rise in sales volume. Likewise,

the unstandardized coefficient for innovativeness was 0.128 showing that keeping other factors constant, increasing innovativeness by a single unit would lead to a 12.8% increase in sales volume of insurance companies in Kenya. In terms of magnitude, the study found that relationship management had the greatest influence on sales volume followed by emotional intelligence while innovativeness had the least influence.

At the same time, the study observed that the t-statistics for relationship management, emotional intelligence, innovativeness firm culture were 3.710, 2.957, 9.143 and 15.952, respectively which were found to be higher compared to the t-critical value at (152,0.05 = 1.6549). The conclusion made from the t-statistics was that relationship management, emotional intelligence, innovativeness and firm's culture were statistically significant in predicting sales volume. Similarly, the study found that the P-values for relationship management, emotional intelligence, innovativeness and firm's culture were 0.00, 0.004, 0.000 and 0.000 respectively which were all less compared to the 0.05 level of significance. Therefore, based on the t-statistic and P-value the study concluded that relationship management, emotional intelligence, innovativeness and firm's culture were significant predictors of sales volume among insurance companies in Kenya. The model was summarised as follows:

$$\boldsymbol{SV = 1.672 + 0.429\ RM + 0.136\ EI + 0.128\ INN + 0.734FC\ \varepsilon}$$

Where: ***SV*** = Sales Volume

RM = Relationship Management,

EI = Emotional Intelligence

INN = Innovativeness

FC = Firm's culture

ε= Random error term

The results obtained on this variable were consistent with observations made by Rousku (2014) who suggested that competences such as relationship management, emotional intelligence, and innovativeness are important components of intellectual capital modelling, motivation and commitment of employees towards organization performance as measured through sales level. Similarly, in his study, Shah (2016) concluded that deployment of firm resources and competences significantly impacted on effectiveness of sales employees which resulted in more sales. Moreover, Viji (2016) showed that high level of intellectual capital results in improved performance of a firm.

Thus on the basis of these results it is established that mapping and development of competences as well as their adoption in the insurance sector would lead to better performance. Since the insurance sector is demand driven, the study finds that deployment of relationship management competence would enable its sales representatives and other customer relations representatives to create good rapport with their customers' thereby increasing the sales level. Additionally, deployment of emotional intelligence competence would come in handy to help the sales executives to know their strengths and weaknesses so as to create and improve on their interpersonal relationships leading to better sales performance. Further, innovativeness competence would also be relevant to the sales executives and customer care representatives for aiding them to develop new strategies from time to time that would enable them to attract new customers and maintain the existing ones with the aim of improving their performance.

Secondly, the study sought to identify the influence of relationship management, emotional intelligence, innovativeness and firm's culture, on ROA of insurance companies in Kenya. To achieve the objective, ROA was regressed on relationship management, emotional intelligence, innovativeness and firm's culture, and the results obtained were as displayed in Tables 4.25, 4.26 and 4.27 respectively.

Table 4. 25: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.828[a]	.685	.677	.52034

a. Predictors: (Constant), Firm Culture, Innovativeness, Emotional Intelligence, Relationship Management

The summary in Table 4.25 shows that the value of adjusted R square was 0.667 denoting that relationship management, emotional intelligence, innovativeness and firm's culture explained 67.7% of all the changes in ROA of insurance companies in Kenya. The findings indicate that 32.3% of all the changes in ROA of insurance companies in Kenya were explained by other elements other than relationship management, emotional intelligence, innovativeness and firm's culture.

The research also conducted F-test in ANOVA to establish the fitness of the model in explaining the variations in ROA.

Table 4. 26: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	87.184	4	21.796	80.502	.000[b]
	Residual	40.071	148	.271		
	Total	127.255	152			

a. Dependent Variable: ROA

b. Predictors: (Constant), Innovativeness, Emotional Intelligence, Relationship Management, firm culture.

The outcomes in Table 4.26 indicates that the F-sstatistic value was 80.502 which was greater than the F-critical (4,148=2.4328). Thus based on the F-value the conclusion

made was that the model was a good fit to predict the ROA of Kenyan based insurance companies. Equally, the results show that the P-value for the model was 0.000 which was much lower than the 0.05 significance level. Thus on the basis of the significance level, the study concluded that the model was fit in predicting ROA among insurance companies in Kenya.

To decide on the significance of the individual predictors and the moderator (relationship management, emotional intelligence, innovativeness and firm's culture) in predicting ROA, the study adopted a t-test for every variable coefficients as revealed in Table 4.27.

Table 4. 27: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.417	.850		2.844	.005
	Firm Culture	.771	.046	.812	16.953	.000
	Relationship Management	.366	.119	.244	3.074	.003
	Emotional Intelligence	.186	.181	.081	1.025	.307
	Innovativeness	.086	.152	.045	.566	.573

a. Dependent Variable: ROA

As shown in Table 4.27, the constant had an unstandardized coefficient of 2.417 indicating that, holding all other factors constant at zero (0), ROA among insurance companies in Kenya would be 2.417. This means that in the absence of relationship management, emotional intelligence, innovativeness and fim's culture, Return on Assets would be greater than zero (0) but less than ten percent.

The study also established that unstandardized coefficients for firm culture, relationship management, emotional intelligence and innovativeness were 0.771, 0.366, 0.186 and 0.086 respectively. These results indicate that if all factors are held constant, one unit rise in firm culture would lead to a 0.771 increase in ROA among

insurance companies in Kenya. At the same time, unit rise in relationship management would result in a 0.366 increase in ROA among insurance companies in Kenya. Similarly, if all other factors were held constant at zero, a rise in emotional intelligence by a single unit would lead to a 0.186 increase in ROA of insurance companies in Kenya. Likewise, if all other factors were at a constant level, a single unit rise in innovativeness would result in a 0.086 increase in ROA of insurance companies in Kenya. In terms of magnitude, the researcher concluded that relationship management had the biggest influence on ROA of insurance companies in Kenya.

The findings indicate that the P-value for the study coefficients were 0.005, 0.003, 0.307, 0.573 and 0.000 for the constant, relationship management, emotional intelligence, innovativeness and firm's culture respectively. These results implied that the constant, relationship management and firm's culture significantly influenced ROA of insurance companies in Kenya since they had a P-value that was less than 0.05 significance level. However, emotional intelligence and innovativeness were found to be insignificant in influencing ROA of insurance companies in Kenya because their P-values were higher than 0.05.

These results concurred with the findings of Velayudhan and Maran (2013) who concluded that from the observable trends, tomorrow's organizations will rely more on their employees' skills and competencies such as relationship management, emotional intelligence and innovativeness compared to other resources to maximize their output and profitability. On the other hand, Makori (2014) showed that employee performance is a function of firm's profitability. Further, Srividya and Basu (2015) observed that organizational success depends on the competency of the human capital.

Consequently, the study established that identification and development of competences such as relationship management, emotional intelligence, and innovativeness is significant for firms to achieve profitability, particularly efficiency in the utilization of assets at the disposal of the firm. Specifically, the use of relationship management and emotional intelligence competencies would enable the management staff to have good relationships with other staff members thus winning their co-operation which would lead to efficient resource management through creation of synergy and economies of scale. On the other hand, deployment of innovativeness competence would enable the management to adopt strategies in identification and configuration of strategic assets that would help the firm to be efficient and effective in resource utilization leading to higher profitability from utilization of assets at the disposal of the management.

The study also sought to determine the influence of relationship management, emotional intelligence, innovativeness and firm's culture on Return on Equity (ROE). To meet the goal of the research, the researcher regressed ROE on relationship management, emotional intelligence, innovativeness and firm's culture. The aim was to determine the variable with the most significant effect on ROE. The summary of the results is as seen from Table 4.28.

Table 4.28: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.839[a]	.705	.697	.51448

a. Predictors: (Constant), Innovativeness, Emotional Intelligence, Relationship Management, Firm Culture

The summarized findings in Table 4.28 indicates that the adjusted R square was 0.697 implying that relationship management, emotional intelligence, innovativeness and

firm's culture contributed 69.7% of all the variations in ROE of insurance companies in Kenya. The results showed that 30.3% of all the variations in ROE of insurance companies in Kenya were contributed by other factors other than relationship management, emotional intelligence, innovativeness and firm's culture.

The study further sought to deduce if the model could be used to predict ROE of insurance companies in Kenya. To this end, the researcher did an F-test in the ANOVA and the summarized findings are revealed in Table 4.29.

Table 4.29: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	93.412	4	23.353	88.226	.000[b]
	Residual	39.175	148	.265		
	Total	132.587	152			

a. Dependent Variable: ROE
b. Predictors: (Constant), Innovativeness, Emotional Intelligence, Relationship Management, Firm culture

From Table 4.29 the F-statistic value was 88.226 and higher than the value of F-critical at 2.4328. The conclusion made was that the model was a good predictor of ROE. At the same time, it was deduced that the P-value for the F-statistic was 0.000 which was lower than 0.05 level of significance. Therefore, from the P-value the conclusion made was that the model was a good fit in predicting ROE.

The study further determined the significance of the study variables in influencing ROE. To do so a t-test was conducted on all the study variables and the findings are as indicated in Table 4.30.

Table 4. 30: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.572	.865		2.973	.003
	Firm Culture	.797	.045	.822	17.714	.000

Relationship Management	.373	.121	.244	3.077	.002
Emotional Intelligence	.238	.185	.102	1.289	.199
Innovativeness	.088	.155	.045	.569	.570

a. Dependent Variable: ROE

The results show that the coefficient of the constant was 2.572 implying that holding all other factors constant at zero, the ROE of Kenyan based insurance firms would be equal to 2.572. This suggested that, if firm culture, relationship management, emotional intelligence, and innovativeness were held constant at zero, ROE of Kenyan based insurance companies would be positive but less than 10 percent, which would be a low level of profitability. The study established that the coefficient of firm culture was 0.797 indicating that a unit change in firm culture would cause a 0.797 change in ROE of Kenyan based insurance companies.

In addition, the findings revealed that the coefficient of relationship management was 0.373 which meant that if all the other factors were held at zero, a single unit rise in relationship management would lead to a 37.3% increase in ROE of insurance companies in Kenya. Similarly, the coefficient of emotional intelligence was 0.238 implying that when all the other factors were held constant, a single unit rise in emotional intelligence would lead to a 23.8% increase in ROE of Kenyan based insurance firms. Finally, the research determined that innovativeness had a coefficient of 0.088 meaning that if all the other factors were held constant at zero, a unit increase in innovativeness would result in an 8.8% increase in ROE of insurance companies in Kenya. From the results obtained it was clear that relationship management had the highest influence on ROE.

The study further established that relationship management and firm's culture were significant in influencing ROE since their coefficients had a P-value less than the 0.05

significance level. However, emotional intelligence and innovativeness were insignificant since their P-values were greater than the significance level at 0.05.

The model was summarised as follows:

$$\boldsymbol{ROE = 2.572 + 0.373RM + 0.238EI + 0.088\ INN + 0.797FC + \varepsilon}$$

Where: ***ROE*** = Return on Equity

RM = Relationship Management,

EI = Emotional Intelligence

INN = Innovativeness

FC = Firm's culture

ε= Random error term

These results were consistent with the conclusions made by Goleman et al., (2013) who alluded that relationship management skills such as interpersonal communication skills allow one to get to know others and build strong relationships with them leading to greater organizational performance. Further, Fernando (2015) showed that relationship management competence assists employees to maintain appropriate customer relations thus improving the firm's performance. Likewise, Nkanda (2012) supported that relationship management has a positive effect on the performance of private security service companies.

Nevertheless, the results contradicted with the outcomes of Acha (2013) study which showed that emotional intelligence significantly affected job performance. The results were also inconsistent with the conclusions of Omondi (2016) that there exists a strong positive relationship between manager's emotional intelligence and employee job satisfaction which is a function of good performance. The study results also

contradicted with the findings of Mugo (2012) who concluded that innovations such as financial innovation enhanced performance, growth, and development of Small and Medium Enterprises.

Based on these results, it is imperative for the management of insurance companies to cultivate mapping of staff competences, particularly relationship management competence which has a significant relationship with returns on shareholders' equity. It is noted that shareholders are relevant external stakeholders who contribute equity capital to the firm. Thus if they are not satisfied with performance of the company, they would divest their resources elsewhere. Regarding emotional intelligence and innovativeness competencies, the management should justify their investment in their mapping and development since they were found to be insignificant in influencing return on equity of insurance companies in Kenya.

4.7 Hypotheses Testing

To test the hypotheses a regression analysis was done on the empirical models shown in Table 3.4. Simple linear regression analysis was done on hypothesis one, two and three while multiple regression analysis was conducted on hypothesis four. The regression model outcomes were explained by use of adjusted R^2 values. The P-values helped the researcher decide whether to accept or reject the null hypothesis. In instances where the value of P was lower than 0.05 the study rejected the null hypothesis. However, if the value of P was higher than 0.05 then the null hypothesis was accepted.

4.7.1 Test of Hypothesis One

The first independent variable of the study was relationship management. The study sought to establish the influence of relationship management on the dependent

variable. The associated null hypothesis tested (H_{01}) was that relationship management has no significant influence on organizational performance among insurance companies in Kenya. The findings of this test were interpreted using the Coefficient of Determination (R^2), F-statistic, Student T-test statistics and the P-values. To test the hypothesis, simple linear regression analysis was conducted in which organisation performance was regressed against relationship management and the model summary results were as shown in Table 4.31.

Table 4. 31: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.650[a]	.423	.419	.668

a. Predictors: (Constant), Relationship Management

The findings shown in Table 4.31 indicates that the correlation coefficient between relationship management and organizational performance was 0.650 indicating a strong and positive correlation between relationship management and organizational performance. The coefficient of determination, which measures the percentage of the changes in the dependent variable that can be explained by the variations in the independent variable, Taylor et al., (2015) as shown by the adjusted R Square (R^2) was 0.419 meaning that the model predicted 41.9% of the variations in the dependent variable.

Conversely, the results implied that relationship management was only able to influence 41.9% of the variations in organizational performance of Kenyan based insurance firms and therefore, 58.1% of the variations in the performance of the insurance companies in Kenya were explained by other factors other than relationship management. The results thus show that there were other factors other than

relationship management that contributed to the performance of the insurance companies in Kenya.

The Analysis of Variance (ANOVA) was also done to determine if the model was fit to predict organizational performance. The results of the ANOVA are presented in Table 4.32.

Table 4.32: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	49.239	1	49.239	110.477	.000[b]
	Residual	67.300	151	.446		
	Total	116.539	152			

a. Dependent Variable: Organisation Performance
b. Predictors: (Constant), Relationship Management

From the findings as indicated in Table 4.32, the linear regression F-test statistic was 110.477 which was greater than the F-critical value (F at 1,151 at 0.05 significance level = 3.9038). Thus, on the basis of the F-statistic, the study came to the conclusion that the model was good enough to predict performance of Kenyan based insurance firms. In addition, the study found that the P-value for the F-test statistic was 0.000. This value was less than 0.05 significance level leading to the conclusion that the model was fit as constituted to predict organizational performance among insurance companies in Kenya.

To determine if the regressed relationship between relationship management and organizational performance was significant, the study conducted a T-test on the coefficient of relationship management. The results were as indicated in Table 4.33.

Table 4.33: Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

1	(Constant)	2.064	.361		5.714	.000
	Relationship Management	.684	0.112	.650	6.107	.000

a. Dependent Variable: Organisation Performance

The findings in Table 4.33 shows that the constant had an unstandardized coefficient of 2.064 which means that holding all other factors constant and relationship management constant at zero (0), performance of Kenyan based insurance firms would be equal to 2.064. The t-statistic for the constant was found to be 5.714 which was greater than the t-critical value (at 152 df and 0.05 significance level= 1.655). The results also show that the standardized beta coefficient for relationship management was 0.650. This means that if all the factors are held constant, a rise in relationship management by a single unit leads to a 0.650 rise in the performance of insurance companies in Kenya. The t-test statistic for this coefficient was found to be 6.107 which was greater than the t-test critical value (t-critical at 152 df and 0.05 significance level= 1.655). The value of P for the relationship management coefficient was 0.000 which was lower than the 0.05 significance level which led to the rejection of the null hypothesis that relationship management has no significant influence on organizational performance among insurance companies in Kenya and concluded that relationship management has a significant influence on organizational performance among insurance companies in Kenya. The summarized model was as shown below:

$$\boldsymbol{OP_F = 2.064 + 0.684\ RM + \varepsilon}$$

Where: $\boldsymbol{OP_F}$ = Organization Performance

$\boldsymbol{RM}$ = Relationship Management,

$\boldsymbol{\varepsilon}$= Random error term

The results found on this hypothesis were concurrent with the existing empirical literature that supports that there is a favourable association existing between relationship management and organizational performance. For instance, Marucha (2012) found that there is a significant association existing between core competencies such as relationship management and decision making skills and competitive advantage of insurance firms in Kenya. The argument behind this position was that once a firm achieves a competitive advantage, it can sustain it by proper management of their relations with stakeholders. Similar conclusions were made by Brackett et al., (2011) who viewed relationship management as a wide range of abilities and tools to build and maintain effective communications with other people at work and that for organizations to achieve superior performance the employees and the management need to possess relationship management skills.

Goleman et al., (2013) concluded that organisations' management need interpersonal communication skills so as create the best out of their employees by inspiring and motivating them. Nkanda (2012) established that relationship management in form of relationship marketing has a positive effect on the performance of Security Service Companies implying that greater customer satisfaction, higher rate of customer retention, greater profitability and bigger market share may result from implementation of relationship management programs. Similar conclusions were reached by Wanjiku (2014) who investigated the impact customer relationship management had on customer retention in commercial banks and revealed the need for promoting a healthier relationship between customers and the banks in general. In regard to relationship management with suppliers, Kiarie (2017) found a significant and favourable association between supplier relationship management practices and

organizational performance while Njuguna and Mirugi (2017) averred that relationship management enhances service delivery.

The results further supported the theoretical foundation of competency theory that identification and development of relevant competences leads to better performance. On the basis of these results, the study opines that although relationship management was found to significantly affect performance of insurance companies in Kenya, descriptive results suggested that while some insurance companies endeavoured to cultivate good relations with stake holders, some were still obdurate. Consequently, insurance companies should put more emphasis on understanding stakeholder requirements, creating and maintaining good rapport with stakeholders, observing healthy competition with competitors, enhancing conflict resolution as well as promoting effective communication within and beyond the firm.

4.7.2 Test of Hypothesis Two

The second independent variable of the research was emotional intelligence and the study sought to determine the effect of emotional intelligence on the performance of insurance companies in Kenya. The associated null hypothesis (H_{02}) that emotional intelligence has no significant influence on organizational performance among insurance companies in Kenya was tested against the alternative hypothesis that emotional intelligence has a significant influence on organizational performance among insurance companies in Kenya. The results of the hypothesis test were interpreted using the R^2, F-statistic, T-test statistics and the P-values. Simple linear regression analysis was conducted in which organisation performance was regressed on emotional intelligence and the model summary results were as shown in Table 4.34.

Table 4.34: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.446[a]	.199	.194	.786

a. Predictors: (Constant), Emotional Intelligence

From the results shown in Table 4.34, the correlation coefficient (R) was 0.446, suggesting that there was a medium positive correlation between organisation performance and emotional intelligence. At the same time the results shows that the coefficient of determination, which measures the percentage of the changes in the dependent variable that can be associated by variations in the independent variable, as shown by the adjusted R Square (R^2) was 0.194 meaning that the model predicted 19.4 percent of all the variations in organizational performance among Kenyan based insurance firms. The implications of this is that 80.6% of the variations in the performance of Kenyan based insurance firms were attributed to other factors other than emotional intelligence. To establish if the model was fit and could be used to determine organisation performance, F-test was conducted in Analysis of Variance (ANOVA) test and the findings were as presented in Table 4.35.

Table 4.35: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.219	1	23.219	37.570	.000[b]
	Residual	93.32	151	.618		
	Total	116.539	152			

a. Dependent Variable: Organisation Performance
b. Predictors: (Constant), Emotional Intelligence

The ANOVA test results shown in Table 4.35 indicates that the F-statistic value at 1, 151 degrees of freedom and 0.05 level of significance was 37.570, which was higher than the F-critical value (F at 1, 151, 0.05 alpha = 3.903). Therefore, on the basis of

the F-statistic, a conclusion was made that the model was fit enough and could be used to predict the performance of Kenyan based insurance firms. Further, the results shows, that the significance level for the F-test statistic was 0.000. This value was lower compared to the significant value at 0.05. The conclusion made was that the F-test statistic was significant and therefore the model was fit in predicting performance of Kenyan based insurance firms. To determine the significance of the model coefficient and the constant, the researcher did a t-test for the study coefficients and the findings were as displayed in Table 4.36.

Table 4.36: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.948	.529		7.466	.000
	Emotional Intelligence	.505	.177	.446	2.853	.000

a. Dependent Variable: Organisation Performance

As observed in the coefficients Table 4.36, the results show that the constant had an unstandardized coefficient of 3.948. This indicates that holding all other factors constant at zero (0), the performance of insurance companies in Kenya would be equal to 3.948. It was noted that the coefficient of the constant was significant as shown by a P-value of 0.000 which was less than the significance level of 0.05. Similarly, the t-statistic for the constant was 7.466 which was greater than the t-critical value (t-critical at 152 df and 0.05 significance level= 1.655). Thus based on the t-statistic results, the conclusion made was that the constant factor was significant.

The results further show that emotional intelligence had an unstandardized coefficient of 0.505 and a standardized coefficient of 0.446. This implies that if all other factors

were held constant, a rise in the staff level of emotional intelligence by one unit would result in a 0.446 rise in the performance of Kenyan based insurance firms. This further indicates that a single unit rise in emotional intelligence would lead to a 44.6% unit rise in the performance of Kenyan based insurance firms. The results show that emotional intelligence had a t-statistic of 2.853. This value was higher compared to the t-critical value (t-critical at 152 df and 0.05 significance level= 1.655). The conclusion made was that emotional intelligence was significant in determining performance of the Kenyan based insurance firms. Further, as presented in Table 4.36 the P-value for emotional intelligence were both 0.000 which was lower than 0.05 level of significance. From the outcomes, the null hypothesis that emotional intelligence has no significant effect on organizational performance among insurance companies in Kenya was rejected. The conclusion made was that emotional intelligence has a significant influence on organizational performance among insurance companies in Kenya. The model was thus summarised as follows:

$$\boldsymbol{OP_F = 3.948 + 0.505\ EI + \varepsilon}$$

Where: $\boldsymbol{OP_F}$ = Organizational Performance

$\boldsymbol{EI}$ = Emotional Intelligence

$\boldsymbol{\varepsilon}$= Random error term

The conclusions reached on this variable tallied with the observations made by Watson (2000) who stated that emotional intelligence significantly impacts the personal career development and motivating people to act as well as control their actions. Additionally, the results posted on this hypothesis were in agreement with the results posted by Acha (2013) who showed that the emotional intelligence level of a leader affected the motivation of the workers to excel. Similarly, Mwathi (2013)

studying the association between emotional intelligence and service provider's job performance determined that a moderate favourable association did exist between the study variables as was found in the current study. Further, Nzomo (2012) studying the association between the emotional intelligence of the principal and the academic achievements of the students in national schools showed a significant association between these two variables. However, the results contradicted with the conclusions reached by Omondi (2016) who conducted a study on the influence of manager's emotional intelligence on employee job satisfaction and found a significant and strong association between the emotional intelligence of the manager and job satisfaction among employees.

From these results it was noted that emotional intelligence significantly predicted organizational performance of insurance companies in Kenya. However, as noted in the descriptive results, respondents differed in their responses regarding deployment of emotional intelligence competence among the insurance companies. Thus based on the significant role played by emotional intelligence in driving organizational performance, the study postulates that the management of insurance companies should cultivate a culture of identifying the level of emotional intelligence amongst their staff and work towards promoting self-awareness, self-management, social awareness, and interpersonal relations management.

4.7.3 Test of Hypothesis Three

The third independent variable in the study was innovativeness. On this variable, the researcher looked at the influence of innovativeness on the performance of Kenyan based insurance firms. To ensure this goal was met, the null hypothesis (H_{03}) that innovativeness has no significant influence on organizational performance among

Kenyan based insurance firms was tested against the alternative hypothesis that innovativeness has a significant influence on organizational performance among insurance companies in Kenya. The results of the hypothesis test were interpreted using the R^2, F-statistic, T-test statistics and the P-values. Simple linear regression analysis was conducted in which organisation performance was regressed on innovativeness. The findings are as revealed in Tables 4.37, 4.38 and 4.39.

Table 4.37: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.492[a]	.242	.237	.764

a. Predictors: (Constant), Innovativeness

The findings shown in Table 4.37 indicates that the correlation coefficient (R) was 0.492 signifying that there was a medium favourable association between innovativeness and performance of insurance companies in Kenya and Similarly, the adjusted R square (R^2) for the model which shows the percentage of the variations in the performance of insurance companies in Kenya explained by the changes in innovativeness was 0.237 denoting that the predictive power of the model was 23.7%. This implied that innovativeness predicted 23.7% of the changes in the performance of Kenyan based insurance firms. Further, the results indicate that 76.3% of the variations in performance of insurance companies in Kenya were as a result of other variables other than innovativeness.

The researcher conducted an F-test in ANOVA to determine if the model was good enough to predict the dependent variable. The outcome of the test is as indicated in Table 4.38.

Table 4.38: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.073	1	28.073	48.126	.009[b]
	Residual	88.082	151	.583		
	Total	116.155	152			

a. Dependent Variable: Organisation Performance
b. Predictors: (Constant), Innovativeness

As observed in the results shown in Table 4.38, the F-test statistic for the model at 1,151 degrees of freedom and 0.05 significance level was 48.126. This figure was higher than the F-critical (1, 151, 0.05 alpha = 3.903) and therefore on the basis of the F-test statistic, the study found the model to be significant in determining performance of the insurance companies in Kenya. The value of P for the F-test statistic was 0.009 which was lower than the 0.05 level of significance hence it was concluded that the model was a good fit.

The study also sought to determine the significance of the model coefficients in predicting performance of Kenyan based insurance firms and the findings are indicated in Table 4.39.

Table 4.39: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.766	.496		5.574	.000
	Innovativeness	.526	.148	.492	3.554	.009

a. Dependent Variable: Organisation Performance

The outcomes as indicated in Table 4.39 shows that the unstandardized coefficients for the constant and innovativeness were 2.766 and 0.526 respectively. This implied that holding all other factors constant at zero (0), the performance of insurance companies in Kenya was equal to 2.766. At the same time, controlling all other

variables, a single unit rise in innovativeness leads to a rise in performance of Kenyan based insurance firms by 0.526. Additionally, the standardized coefficient for innovativeness was 0.492 signifying that when all other factors were held constant, performance of insurance companies in Kenya increased by 49.2% as a result of a unit increase in the level of innovativeness.

The t-statistic for the constant and the coefficient of innovativeness were 5.574 and 3.554 respectively. Since the figures were greater than the t-critical value (152 df and 0.05 significance level=1.655), the study concluded that the coefficients were significant. The P-values for the constant and the coefficient of innovativeness were 0.000 and 0.009 respectively. The results were lower compared to the significant level of 0.05 and therefore the study concluded that the coefficients were significant. Since the coefficients were significant the study did not accept the null hypothesis and the conclusion made was that innovativeness significantly affected organizational performance among insurance companies in Kenya. The model summary is as follows:

$$OP_F = 2.766 + 0.526\ INN + \varepsilon$$

Where: OP_F = Organisation Performance

INN = Innovativeness

ε= Random error term

The results posted on this hypothesis were in agreement with the current empirical literature which posits that innovation gives organisation a strategic means by which they can rise beyond the challenges they meet when they seek to achieve superior performance (Kuratko et al., 2015). Semadeni and Anderson (2010) also indicated that although an innovator's firm-level traits led to increased imitation, the traits at the

offering-level lowered imitation which in the long run tend to increase firm's performance. Studying strategic management of innovation within SMEs, Hang (2014) showed that managing innovation on a formal level with the use of commercialisation, a unique firm's culture, management of portfolio and use of innovation led to a rise in the leader's confidence in regard to the expected returns. Thus with increased cooperation between owners and managers, there is a likelihood that firm's performance will increase as shown in this study. Additionally, Mugo (2012) pointed out that the use of innovation by MFIs led to improved growth of the firm while Wanjiku (2014) showed that process, product, positioning, and paradigm innovation had a positive relationship with the performance of some business types of the MSEs in Kiambu Town.

As noted in these studies results, innovativeness significantly affected organizational performance among insurance companies in Kenya. It is therefore necessary for insurance companies to review the existing business processes and strategies to establish their effectiveness with a view of coming up with new ones when necessary. Further, it is found that insurance companies should always seek to stimulate and develop new business processes from time to time and seek to acquire and introduce new technologies that are up to date before competitors do. Since the descriptive results suggested that some insurance companies were still reluctant to map the innovativeness of their staff, the study recommends that all insurance companies in Kenya should strive to do so if they are to achieve remarkable performance.

4.7.4 Test of Hypothesis Four

The fourth objective of the research sought to establish the moderating influence of firm's culture on the relationship between institutional competency mapping and

performance of Kenyan based insurance firms. To achieve the objective, the study tested the null hypothesis (H_{04}) that firm's culture has no significant influence on the relationship between institutional competency mapping and organizational performance of Kenyan based insurance firms against the alternative hypothesis that firm's culture has a significant influence on the relationship between institutional competency mapping and organizational performance of Kenyan based insurance companies. To test the hypothesis, the study adopted the recommended multiple linear regression model by Fairchild and MacKinnon (2009). To do this, organizational performance was first regressed on institutional competency mapping to test for the direct effect and the test results were interpreted using the R^2, F-statistic, t-test statistics of the coefficients and the P-values. In the second step, organizational performance was then regressed on institutional competency mapping, firm's culture, and the interactive term for institutional competency mapping and firm's culture. The decision on the existence of a moderation influence was based on the coefficients of P-value of the interactive term.

Step One: Regression of organizational performance on institutional competency mapping

Organizational performance was regressed on institutional competency mapping. The results for the model summary were as shown in Table 4.40.

Table 4.40: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.735[a]	.541	.538	.59531

a. Predictors: (Constant), ICM

The results shown in Table 4.40 shows that the correlation coefficient (R) was 0.735 which indicates that institutional competency mapping is positively correlated with

organizational performance among insurance companies in Kenya. The results also shows that the coefficient of determination as shown by the adjusted R square (R) was 0.538 meaning that the model accounted for 53.8% of the variations in organizational performance among insurance companies in Kenya. Thus, institutional competency mapping explained 53.8% of the changes in performance of insurance companies in Kenya while the remaining 46.2% was as a result of other factors other than institutional competency mapping.

To deduce if this model was fit enough to predict performance of Kenyan based insurance firms, the researcher did an F-test in ANOVA. The outcome of the test is as presented in Table 4.41.

Table 4.41: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	63.026	1	63.026	177.843	.010[b]
	Residual	53.513	151	.354		
	Total	116.539	152			

a. Dependent Variable: Organisation Performance
b. Predictors: (Constant), ICM

The findings of Table 4.41 shows that the F-test statistic for the regression model at 1,151 degrees of freedom and 0.05 significance level was 177.843. This was a greater value compared to the critical F-test value (1, 151, 0.05 alpha = 3.903). The conclusion made due to the results was that the model was good enough in predicting the performance of insurance companies in Kenya. The study also required to determine the significance of the variable coefficients. To do this, a t-test was conducted on the constant and the coefficient of ICM and the findings are displayed in Table 4.42.

Table 4.42: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.359	.763		1.782	.077
	ICM	.631	.242	.208	2.612	.010

a. Dependent Variable: Organisation Performance

As Table 4.42 indicates, the unstandardized coefficient for the constant was 1.359 implying that when ICM was held constant at zero (0), performance of Kenyan based insurance firms was equal to 1.359. The t-statistic for the constant was 1.782 which was higher compared to the t-critical (152 df and 0.05 significance level=1.655). At the same time, the P-value for the constant was observed to be 0.077 which was higher than 0.05. The research failed to reject the null hypothesis and the conclusion made was that the constant was not significant.

Table 4.42 further shows that the unstandardized coefficient for ICM was 0.631 indicating that controlling for all other variables, increasing ICM by one unit resulted in 0.631 increase in the performance of Kenyan based insurance firms. The t-statistic for the coefficient for ICM was 2.612 which was greater than the t-critical (152 df and 0.05 significance level=1.655). On this basis the conclusion made was that ICM significantly influenced performance of insurance companies in Kenya. Similarly, the P-value for the coefficient of ICM was 0.010 which was lower than the significance level value of 0.05. The study therefore rejected the null hypothesis that institutional competence mapping has no significant influence on the performance of insurance companies in Kenya and the conclusion made was that the coefficient of institutional competency mapping was statistically different from zero and therefore significantly influenced performance of insurance companies in Kenya. These results shows that

there existed a relationship between the two variables that can be moderated. The model was thus summarised as follows:

$$OP_F = 1.359 + 0.631\ ICM + \varepsilon$$

Where: OP_F= Organisation Performance

ICM = Institutional Competency Mapping,

ε= Random error term

The results obtained on this variable were consistent with the conclusions reached by Suguna and Selvi (2013) who opined that competency mapping also helps to pinpoint the areas the employees are most good at so that they can be assigned responsibilities in these areas to ensure their performance is at its best. The results also concurred with the conclusions of Mani (2013) that competency mapping aims to know the competencies that are evident among employees and incorporating them in the human resource management processes for the organization to achieve its performance goals. The results were also consistent with Mahmood et al., (2014) that competency mapping helps isolate important skills, knowhow, and attitudes that make the employees better suited for a given role, which is a necessary condition for superior performance. In addition, Srivastava and Bhargava (2011) concluded that competency mapping is a strategic approach and firms can only enhance their performance if they continually use human resource management strategies that involve managing employees in a holistic manner from recruitment, retention and talent development and allocating employees tasks that they can perform most successfully. Conclusions by Rousku (2014) that competence identification, assessment and development are important components of intellectual capital modelling, motivation and commitment of employees towards organization performance further supports the findings of this study. Finally, Sinchu and Bhuvaneswary (2015) found that competency mapping

may lead to better performance management as well as career and succession planning development.

Step Two: Regress Organizational Performance on Institutional Competency Mapping, firm's Culture, and the Interactive term.

In the second step, firm's culture was introduced in the model and organizational performance was then regressed on institutional competency mapping, firm's culture, and on the interactive term for institutional competency mapping and firm's culture. The results for the model summary were as shown in Table 4.43.

Table 4.43: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.843[a]	.711	.705	.47530

a. Predictors: (Constant), ICM*FC, ICM, Firm Culture

From the outcome in Table 4.43, it is evident that there is a strong positive correlation as shown by a correlation coefficient (R) of 0.843. The findings further indicates that the coefficient of determination (adjusted R square (R^2)) was 0.705 showing that the model was capable of predicting 70.5 percent of all the variations in organizational performance. Therefore, it is construed that 29.5% of all the variations in organizational performance among insurance companies in Kenya were explained by other factors other than institutional competency mapping, firm's culture, and the interactive term.

To deduce if the model was fit as constituted to predict organizational performance among insurance companies in Kenya, the study conducted ANOVA and the findings were as indicated in Table 4.44.

Table 4.44: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	82.879	3	27.626	122.292	.000[b]
	Residual	33.660	149	.226		
	Total	116.539	152			

a. Dependent Variable: Organisation Performance
b. Predictors: (Constant), ICM*FC, ICM, Firm Culture

The results in Table 4.44 indicates that the F-test statistic for the model at 3,149 degrees of freedom and 0.05 significance level was 122.292. This figure was higher than the F-critical (3, 149 df, 0.05 alpha = 2.6653) and therefore on the basis of the F-test statistic, the study found the model was significant in predicting performance of Kenyan based insurance firms. Similarly, the value of P for the F-test statistic was 0.000. This value was lower compared to 0.05 significance level. The conclusion made from these results was that the model was fit to predict performance of Kenyan based insurance firms.

To determine the significance of the model coefficients, the study conducted a t-test for each of the coefficient and the constant. The findings were as indicated in Table 4.45.

Table 4.45: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.475	1.162		2.130	.035
	ICM	.570	.126	.394	4.524	.000
	Firm Culture	.127	.027	.123	4.704	.000
	ICM*FC	.198	.094	.114	2.106	.037

a. Dependent Variable: Organisation Performance

The findings in Table 4.45 shows that the unstandardized coefficient for the constant was 2.475 implying that when all other factors were held constant at zero (0), performance of the insurance companies in Kenya would be equal to 2.475. The coefficient of the constant was found to have a t-test statistic of 2.130 which was greater than the t-critical value (152 df and 0.05 alpha = 1.655). The conclusion made was that the constant was significant. The P value for the constant was found to be 0.035 which was lower compared to 0.05 level of significance. Thus based on the significance level, the study reached the conclusion that the constant was statistically different from zero and therefore significantly predicted the performance of insurance companies in Kenya.

Moreover, Table 4.45 shows that the unstandardized beta coefficient for institutional competency mapping was 0.570 signifying that if all the other factors were held constant, a unit change in institutional competency mapping would lead to a 0.570 change in the performance of insurance companies in Kenya. The t-test statistic for the variable was 4.524. This value was higher than the value for t-critical (152 df and 0.05 alpha =1.655). The P-value for institutional competency mapping was found to be 0.000. This value was lower compared to the 0.05 significance level. Based on the t-test statistic and the P-value, the study rejected the null hypothesis and concluded that the unstandardized beta coefficient for institutional competency mapping was statistically different from zero and therefore institutional competency mapping was a significant predictor of performance among insurance companies in Kenya.

The unstandardized beta coefficient for firm's culture was 0.127 which meant that holding all other factors constant, a unit increase in firm's culture, would result in a 0.127 unit increase in organisational performance of insurance companies in Kenya.

The t-test statistic for firm's culture was 4.704 which was found to be higher compared to the t-critical value (152 df and 0.05 alpha = 1.655). The P-value for firm's culture was found to be 0.000 which was lower compared to the 0.05 significance level. From these results, the study rejected the null hypothesis and concluded that firm's culture had a significant influence on the performance of insurance companies in Kenya.

Finally, Table 4.45 shows that the unstandardized beta coefficient for the interactive term was 0.198. These results implied that if we hold every other factor constant, a single unit increase in the interactive term would result in a 0.198 unit increase in organisational performance of Kenyan based insurance firms. The interactive term had a t-test statistic of 2.106. This value was higher compared to t-critical value (152 df and 0.05 alpha =1.655). The P-value for the interactive term was 0.037 which was lower compared to 0.05 significance level. On the basis of these outcomes, a conclusion was made that the interactive term was significant in influencing the performance of insurance companies in Kenya.

The results in Table 4.40 and Table 4.43 indicates the value of adjusted R^2 of 0.538 and 0.705 respectively. Looking at these findings, the study established that there was a 0.167 increase in the adjusted R^2. This increase suggests that firm's culture influenced the 16.7% of the variations in the performance of Kenyan based insurance firms. Additionally, it was noted that the coefficient of the interactive term was significant (P-value = 0.037 < 0.05). Based on these results, the study rejected the null hypothesis that firm's culture has no significant moderating influence on the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya and concluded that firm's culture

has a significant moderating influence on the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya. The model was summarised as follows:

$$OP_F = 2.475 + 0.570\ ICM + 0.127\ FC + 0.198\ ICM^*\ FC + \varepsilon$$

Where: OP_F = Organization Performance

ICM = Institutional Competency Mapping,

FC = Firm's Culture

ICM* FC = Interactive Term for ICM and Firm's Culture

ε= Random error term

From the results shown in this model, it is observed that among the variables in the model, institutional competency mapping had the highest influence on organizational performance of insurance companies in Kenya followed by firm's culture and finally the interactive term.

The moderation influence was summarised in Table 4.46

Table 4.46: Summary of Regression Results for the Moderating Effect

Parameter	Step 1	P-value	Step 2	P-value	Conclusion
R^2	0.541	-	0.711	-	Reject the null hypothesis and conclude that firm's culture has a significant moderating influence on the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya.
Adjusted R^2	0.538	-	0.705	-	
F Value	177.843	0.010	122.292	0.000	
β Constant	1.359	0.077	2.475	0.035	
β ICM	0. 631	0.010	0.570	0.000	
β Firm's Culture	-	-	0.127	0.000	
β ICM* Firm Culture	-	-	0.198	0.037	

The results posted on this variable had mixed relationship with the existing empirical literature. For instance, while seeking to link organisational culture, values and firm's performance, Saele (2007) indicated that there was a close relationship between the existing and the preferred future firm's culture. The results show that performance did to a certain extent impact on values and culture. On her part, Nina (2013) pointed out that a positive and influential relationship can be found between organizational culture and the overall performance of a company. In addition, Olanipekun et al., (2013) revealed that there is a favourable correlation between the types of firm's culture and performance.

Further, Oduol (2015) established that organizational culture boosts firm's performance. However, Persson and Mikaela (2013) found an unfavourable relationship between business culture and the level of discretion implying that business culture has no effect on firm's performance.

Further, Mwangi and Murigu (2015) established that firm's culture ensures that there is internal integration within the firm which helps in capitalizing on the common values and goals shared by the firm stakeholders and the strong identity that everyone who is part of the firm feels. This view is relevant in that unless there is shared vision a firm may not achieve the desired results. In support of this assertion Chinhanga (2018) opined that it is only those firms that have flexible cultures that can adapt to the changes taking place globally by aggressively adopting an innovation culture thus maintaining their performance levels. However, the findings of Kariuki (2014) contradicted the findings of this study by concluding that employee-oriented culture does not have a moderating effect on corporate performance. Similarly, the findings of Odhiambo, et al. (2015) showed that industry competition significantly affects

firm's culture while at the same time firm's culture has a significant mediating role on firm's performance.

The results posted in this study on this variable shows that firm's culture has a significant influence on organizational performance among insurance companies in Kenya. Further, the study found that firm's culture significantly moderated the relationship between institutional competency mapping and organizational performance among insurance companies in Kenya. Although the existing literature showed mixed findings with some scholars suggesting that firm's culture was significant while others showed that it was insignificant, this study supports the school of thought that opines that firm's culture significantly influences organizational performance and the relationship between institutional competency mapping and organizational performance. This conclusion was reached on the basis of hypothesis testing and the descriptive results which showed that majority of the respondents (77.1%) indicates that they were confident that there existed an observable well established firm's culture in their company. It was further noted that the existing firm's culture was aimed at meeting the company's mission, meeting the customers demand and ensuring that there is consistency in their output. Consequently the study supports that the management of insurance companies in Kenya should cultivate a culture that guarantees adaptability for employees, management policies and processes. Similarly, there should be involvement of all stakeholders in the development and implementation of the mission to ensure that there is goal congruence. The firm's culture should further ensure that there is consistency in management of affairs in the insurance companies to achieve consistent results.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter provides the summarized outcomes of the research followed by the conclusions made. It also presents the recommendations of the study and finally suggests areas for further research.

5.2 Summary of Findings

The study sought to determine the influence of institutional competency mapping on organizational performance among the Kenyan based insurance firms. Specifically, the study sought to establish the influence of relationship management, emotional intelligence, and innovativeness on the performance of insurance companies in Kenya. In addition, the study sought to determine the moderating influence of firm's culture on the relationship between institutional competency mapping and performance of insurance companies in Kenya.

5.2.1 Relationship Management and Organizational Performance

The first specific objective of the study was to establish the influence of relationship management on the performance of Kenyan based insurance firms. The null hypothesis tested was that relationship management has no significant influence on organizational performance among insurance companies in Kenya. The results shows that insurance companies in Kenya undertook to map relationship management competence to a moderate extent suggesting that the management perceived relationship management to have a moderate influence on the performance of the company. This was achieved through obtaining feedback from stakeholders, such as

customers and suppliers, on how they are treated so as to improve their relationships which in turn improved their sales volume and profitability.

Further, insurance companies improved their relationship management competence by understanding their customers and being enthusiastic about understanding their stakeholders' requirements and observing healthy competition with competitors so as to avoid unnecessary conflicts while at the same time highly emphasising on conflict resolution in dealing with stakeholders and upholding effective communication with them.

Correlation results shows that there was a weak positive but significant relationship between relationship management and organizational performance while regression results show that relationship management had a significant influence on organizational performance of insurance companies in Kenya. The findings of the research thus show that relationship management has a significant influence on the performance of the insurance companies in Kenya.

5.2.2 Emotional Intelligence and Organizational Performance

The second objective of the study was to assess the influence of emotional intelligence on the performance of Kenyan based insurance firms. To achieve this objective, the null hypothesis that emotional intelligence has no significant influence on organizational performance among insurance companies in Kenya was tested. The results of the study show that emotional intelligence was emphasised to a moderate extent suggesting that it had a moderate effect on the performance of insurance companies in Kenya. This was observed through establishing strengths and weaknesses of their staff so as to allocate duties to the most proficient employees, emphasising on management of relationships with other employees and with

themselves so as to maximize organisational output, improving on interpersonal relations to avoid unnecessary conflicts, maintaining proper employer to employee relations which formed a key pillar of success in the firms and training their staff on self-awareness and on how to control themselves. In addition, the results revealed that insurance companies in Kenya have realised the need to regularly assess their staff level of self-awareness as well as establishing their staff level of social awareness.

Correlation results indicates that there was a positive and significant correlation between emotional intelligence and organizational performance. Regression results of the study further shows that emotional intelligence had a significant influence on organizational performance among insurance companies in Kenya.

5.2.3 Innovativeness and Organizational Performance

The third objective of the study was to analyse the influence of innovativeness on the performance of insurance companies in Kenya. The study tested the null hypothesis that innovativeness has no significant influence on organizational performance of insurance companies in Kenya. Descriptive results show that innovativeness was deployed among insurance companies to a moderate extent. It was further established that the management of insurance companies in Kenya came up with new strategies from time to time and that insurance companies in Kenya always reviewed their existing business processes from time to time to establish their effectiveness and at the same time stimulated and developed new business processes. Most insurance companies in Kenya always endeavoured to introduce new technologies before their competitors did, always acquired the most up to date technologies, had specific individuals and units tasked to develop new products and services on a regular basis, their research and development dockets were the most innovative, strongly

encouraged development of new products and services and encouraged their staff to suggest strategies that would help the firm address emerging issues.

The correlation results further show that innovativeness was positively and significantly correlated with organizational performance while regression results shows that innovativeness had a significant influence on organizational performance of insurance companies in Kenya.

5.2.4 Competency Mapping, Firm's Culture and Firm's Performance

The final objective of the study was to determine the moderating influence of firm's culture on the relationship between institutional competency mapping and performance of insurance companies in Kenya. To fulfil this objective, the null hypothesis that firm's culture has no significant moderating influence on the relationship between institutional competency mapping and organizational performance of insurance companies in Kenya was tested.

The results revealed that insurance companies in Kenya accentuated on firm's culture to a great extent. This was achieved through putting in place procedures aimed at meeting the company's mission, always endeavoured to meet market demands, made products aimed at meeting the company's mission, had guidelines to ensure there is consistency in their results and their management was adaptable to the new developments in the industry and the economy at large.

The results further show that most insurance companies supported their staff in generating new business models, their procedures were entirely directed by their goals and mission, consistently motivated their staff to scale to greater heights and regularly reviewed their products to ensure they met customer demands. In addition, the results

indicate that majority of insurance companies in Kenya encouraged consistency in their operations and processes, encouraged their staff to freely engage with the top management in developing the organisation policy, encouraged an all-inclusive approach to management, involved the staff in decision making processes and often held consultative meetings with their employees.

The results further show that firm's culture is positively correlated with organizational performance of insurance companies in Kenya while at the same time firm's culture had a significant moderating influence on the relationship between institutional competency mapping and organizational performance of Kenyan based insurance firms.

5.3 Conclusions

From the research findings, the following conclusions were made. Firstly, the study concluded that most insurance companies in Kenya undertook to map relationship management competence among their employees to a moderate extent. Relationship management was positively correlated with organizational performance. Hypothesis testing shows that relationship management significantly influenced organizational performance among insurance companies in Kenya. Based on the findings of the study, the study concludes that the cultivation of good relationship management skills has enabled insurance companies to improve their performance in terms of sales volume and profitability by understanding their stakeholders' requirements, creating, and maintaining good rapport with them, observing healthy competition with competitors, encouraging amicable conflict resolution and enhancing effective communication within themselves and with other parties.

The findings reported on this variable supported the postulates of competency theory whose focus is on the importance of a firm's capabilities and resources and more so knowledge to maximize performance. The results were also in line with the existing empirical literature which supports that there is a positive relationship existing between relationship management and organization performance. Moreover, other studies have shown that there is a significant relationship between core competencies such as relationship management and decision making skills and competitive advantage of insurance firms in Kenya. Additionally, literature supports that relationship management leads to customer retention by enhancing service delivery.

Secondly, the study concluded that most insurance companies in Kenya undertook to map emotional intelligence competence among their employees to a moderate extent. Emotional intelligence was positively correlated with organizational performance among insurance companies in Kenya. Hypothesis testing shows that emotional intelligence had a significant influence on organizational performance among insurance companies in Kenya. The relevance of emotional intelligence was demonstrated through training and enhancement of self-awareness programs that helped the management staff and employees to be emotionally stable and make optimal decisions, encouragement of self-management, social awareness and interpersonal relations. The adoption of these competences in the insurance companies in Kenya helped them achieve better results. The results reported on the variable were consistent with propositions of competency theory which outlines that firms operate as open systems that are managed and governed by management processes. Therefore, management of the relationships among the various parties and with other organisations becomes a significant factor in the determination of a firm's performance. As postulated in the theory, emotional intelligence becomes an

important factor in interpersonal relationships. The results posted on the variable were also in line with the existing empirical literature which shows that emotional intelligence plays a significant role in personal career development and motivating people to act as well as control their actions. Literature also shows that a leader's emotional intelligence influences employees' motivation to excel.

Thirdly, the study concluded that insurance companies in Kenya moderately mapped innovativeness competence among their employees suggesting that innovativeness had only a moderate influence on the performance of the firm. Innovativeness was positively correlated with organizational performance among insurance companies in Kenya. Further, innovativeness had a significant influence on the performance of insurance companies in Kenya. This was demonstrated by the adoption of new business strategies from time to time, introduction of new products and services on regular basis, introduction of new technologies and stimulation of new business processes. The mapping of the ability of the management staff to achieve these indicators of innovativeness clearly demonstrated that this influences the performance of insurance companies in Kenya. The results posted on this variable concurred with the provisions of the Resource-Based View (RBV) theory of the firm which is based on the assumption that for resources to generate superior performance they must be heterogeneous and immobile. Heterogeneity in this sense implies that the skills, competencies and other resources that the firm might have are different among different firms. On the other hand, resource immobility implies that resources cannot be moved from one firm to the other in the short-run. Intangible resources such as innovativeness are immobile. Since innovativeness as a competence is inherent in specific individuals, they are therefore heterogeneous and immobile and can thus help insurance companies achieve greater results. The findings further concurred with the

existing empirical literature which shows that innovativeness provides organisations with a strategy to successfully overcome challenges when striving to achieve superior performance. Furthermore, innovation leads to an aggregate growth of the firm and generates a greater output.

Finally, the study concluded that firm's culture was greatly emphasised by insurance companies in Kenya. Firm's culture had a significant positive relationship with organisational performance. The study also concluded that even though mapping of institutional competences has a significant effect on the performance of Kenyan based insurance firms, the strength of this relationship depended on firm's culture. Firm's culture was demonstrated through high levels of adaptability to the varying levels of business growth, involvement of all management and employees in their mission development and implementation as well as demonstration of consistency in their service delivery which enabled the insurance companies post superior results. The results were consistent with the theoretical foundations of the institutional theory which emphasises on the processes through which routines, norms, and rules are put up and regarded as guides for the right social behaviour. The theory holds that organizations are affected by pressures that can either be internal from the organisation culture or external arising from the industrial culture. Based on the postulates of this theory it is deduced that the rules, norms, and routines in a firm becomes the culture of the institution with time. The findings were also consistent with empirical literature as they have shown that there is a relatively close association between the existing and the preferred firm's culture suggesting that organizational performance is somewhat affected by culture and values. Literature also showed that there exists a positive and influential relationship between organizational culture and

the overall performance of a company. In addition, the literature reviewed revealed that there is a positive relationship between the culture types and firm's performance.

5.4 Recommendations

From these findings the following recommendations were made. Firstly, the study recommends that, since institutional competency mapping had a significant influence on the performance of Kenyan based insurance firms, the management of insurance companies should always seek to establish the ability of the employees and management staff in terms of relationship management, emotional intelligence and innovativeness.

Secondly, the study concluded that relationship management had a significant influence on organizational performance. To this end, the management of insurance companies should ensure that they cultivate, create and maintain good rapport with stakeholders, seek to understand each stakeholder requirements, observe healthy competition with competitors, encourage amicable conflict resolution whenever grievances arise and enhance effective communication within and outside the organisation.

The study further concluded that emotional intelligence had a significant influence on organizational performance among insurance companies in Kenya. This study thus recommends that insurance companies should always ensure that there are programs that are specially designed to offer training and enhancement of self-awareness to help the management staff and employees to be emotionally stable and make optimal decisions. The employees should also be trained on self-management, social awareness and interpersonal relations so as to increase the performance level of the firm.

The study also concluded that innovativeness had a significant influence on the performance of Kenyan based insurance firms. Based on this conclusion, the study recommends that the management of insurance companies should ensure that they motivate their employees to introduce new business strategies from time to time, introduce new products and services on a regular basis, introduce new technologies and stimulate new business processes. This will induce new business processes and better performance for the firm.

Finally, the study concluded that the strength of the relationship between institutional competency mapping and performance of insurance companies in Kenya is significantly moderated by the firm's culture. Consequently, the study recommends that insurance companies should always ensure that they promote high levels of adaptability, ensure involvement of all management staff and employees in mission development and implementation as well as enhance consistency in service delivery so as to maintain or increase performance.

5.5 Suggestions for Further Studies

The conclusions reached in this study were based on data collected from insurance companies in Kenya, implying that the findings are only applicable to insurance companies in Kenya. Owing to the generalizability constraint, this study suggests that more research should be done in other organisations other than those in the insurance industry in Kenya. The study further suggests that other studies be conducted among other insurance companies within the East African Community to determine if there are cross-border factors that influence the relationship between institutional competency mapping and performance of insurance companies.

Further, the study findings were based on data collected over a ten-year period from 2008 to 2017. The results could therefore not be extrapolated for longer periods due to the ever changing business environment in which the insurance companies operate. This study therefore suggests that other studies be conducted covering longer periods beyond 10 years to determine if similar results would be posted.

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APPENDICES

Appendix I: Transmittal Letter

Mwangi Grace Wangari
P.O. BOX 1957-10101,
Karatina.
July 18th, 2018

Dear Sir/Madam,

RE: **REQUEST FOR PARTICIPATION IN RESEARCH STUDY**

I am a **PHD** student at the Karatina University specializing in Human Resource Management. I am currently undertaking a research on **INSTITUTIONAL COMPETENCY MAPPING, FIRM'S CULTURE ON ORGANIZATIONAL PERFORMANCE AMONG INSURANCE COMPANIES IN KENYA.**I invite you to participate in this study by completing the enclosed questionnaire. All the information provided will be used for academic purposes only and will be treated with utmost confidentiality.

Thank you for your cooperation.

Yours faithfully,

Mwangi Grace Wangari

Appendix II: Research Questionnaire

The below questionnaire is meant for collection of data to be used for academic purposes. The research seeks to determine the influence of **INSTITUTIONAL COMPETENCY MAPPING, FIRM'S CULTURE ON ORGANIZATIONAL PERFORMANCE AMONG INSURANCE COMPANIES IN KENYA.** All data provided will be treated with confidentiality. Do not include your name or any form of personal identification when filling the questionnaire.

Indicate your answer by either ticking the best choice or by filling the blank space.

Part 1: DEMOGRAPHIC INFORMATION

1) Kindly indicate your gender: Male [ ] Female [ ]
2) Which position do you hold in your organization? kindly indicate one

   CEO/Director [ ] Human Resource Manager [ ] Operations Manager [ ]
3) How many years have you worked in your current organization?

   Less than 1 year [ ] Between 1-5 years [ ]

   Between 6-10 years [ ] Over 10 years [ ]
4) kindly indicate your highest level of education

   Certificate [ ] Diploma [ ]

   Masters [ ] PhD [ ]

Part 2: Relationship Management

5) This section would like to get your view on how the management relate with its stakeholders. For each of the given statements choose the extent to which your organisation scores on a scale of 1-5 where;

   5- Very High Extent 4- High Extent 3-Moderate Extent

   2- Low Extent 1- No Extent

Aspects of Relationship Management	**1**	**2**	**3**	**4**	**5**
Our management is enthusiastic about understanding stakeholder requirements					
Our staff seek to understand our customers					
Our staff seek to understand our suppliers					
We always seek to create a good rapport with our various stakeholders					
It is the policy of our company to observe healthy competition with competitors					
Our representatives do not engage in unnecessary confrontations with our clients					
Conflict resolution is a highly emphasised in dealing with stakeholder's disputes in our organisation					
We endeavour to uphold effective communication strategies while dealing with stakeholders					
As part of our induction process, communication skills are emphasised on how to deal with stakeholders					
We always seek feedback from our stakeholders on how they are treated.					

6) How often do you train your employees on relationship management skills? please tick in one of the boxes

i) Not at all [ ]

ii) Occasionally [ ]

iii) Quarterly [ ]

iv) Annually [ ]

v) Twice in a year [ ]

7) How do you rate your relationship with the following stakeholders?

	Very poor	Poor	Okay	Good	Very good
Customers					
Suppliers					
Competitors					
Government Agencies					

Part 3: Emotional intelligence

Part 2: Relationship Management

8) This section would like to get your view on how your insurance company endeavours to identify and nature the emotional intelligence of the employees. For each of the given statements choose the extent to which your organisation scores on a scale of 1-5 where;

5- Strongly Disagree 4- Disagree 3-Neutral

2- Agree 1- Strongly Agree

Aspects of emotional intelligence	**1**	**2**	**3**	**4**	**5**
We train our staff on self-awareness on a regular basis					
Our company endeavours to establish					

the strengths and weaknesses our staff.					
We train our staff on how to control themselves through tasks					
This company regularly undertake to assess the staff level of self-awareness					
Our company always seek to establish the staff level of social awareness					
We encourage our staff to work in teams					
A key pillar of our success is good employee – employee relations					
A key pillar of our success is good employer – employee relations					
This company strongly emphasise on management of relationships within the organisation					
We pride in having the best interpersonal relations management in our organization					

9) How do you rate the relevance of emotional intelligence on firm's performance? kindly indicate by ticking in one of the boxes

i) Highly [ ]

ii) Moderately [ ]

iii) Lowly [ ]

Part 4: Innovativeness

10) This section would like to get your view on how your insurance company establish the innovativeness of its employees. For each of the given statements choose the extent to which your organisation scores on a scale of 1-5 where;

5- To a great extent 4- To a high extent 3-Moderately

2- To a low Extent 1- No extent

Aspects of innovativeness	**1**	**2**	**3**	**4**	**5**
This company strongly encourage development of new products and services					
Our company has tasked specific individuals and units to develop new products and services on regular basis.					
Our research and development docket is the most innovative.					
The management of this company come up with new strategies from time to time					
We encourage our staff to suggest strategies that would help the firm address emerging issues					
Our staff always recommend new strategies					
We pride to always introduce new technologies before our competitors					
Our company always acquire the most up					

to date technologies					
The management of this company stimulate and develop new business processes					
This company always review the existing business processes to establish their effectiveness					

11) How would you rate the general level of innovation in your company? Please tick one

i) Excellent [ ]

ii) Satisfactory [ ]

iii) Good [ ]

iv) Poor [ ]

v) Very poor [ ]

12) In relation to your company how do you rate the importance of the following aspects of innovativeness?

	Very important	Important	Moderately important	Slightly important	Not important
Development of New Products and Services					
Implementation of New Strategies					

Introduction of New Technologies					
Stimulating new business processes					

Part 5: Firm's culture

13) In your own opinion, do you think this company has a well-established organizational culture? please tick one.

i) Yes [ ]

ii) No [ ]

14) This section would like to get your view on how your insurance company seeks to cultivate a strong firm's culture geared toward increasing firm's performance. For each of the given statements choose the extent to which your organisation scores on a scale of 1-5 where;

5- Very High Extent 4- High Extent 3-Moderate Extent

2- Low Extent 1- No Extent

Aspects of Firm's culture	**1**	**2**	**3**	**4**	**5**
Our company involve the staff in decision making processes					
Our staff feel free to engage with the top management in developing organisation policy					
We always encourage an all-inclusive approach to management					

This company often hold consultative meetings with our employees					
We encourage consistency in our operations and processes					
This company pride in consistently motivating our staff to scale greater heights					
Our company has set guidelines to ensure there is consistency in our results					
We regularly review our products to ensure we meet customer demands					
This company always endeavour to meet market demands.					
The management of our company is adaptable to the new developments in the industry and economy.					
Our company supports our staff to support our staff in generating new methods					
Our procedures are entirely directed by our goals and mission.					
The products of this company are aimed at meeting the company's mission					
The procedures of this company are aimed at meeting the company's mission					

Thank you for your participation.

Appendix III: Secondary Data Collection Sheet

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Sales Volume										
Net profit (After tax)										
Total Assets										
Total shareholders' Equity										

Appendix IV: List of Insurance Companies in Kenya

1. AAR Insurance Company Limited
2. Africa Merchant Assurance Company Limited
3. AIG Kenya Insurance Company Limited
4. Allianz Insurance Company of Kenya Limited
5. APA Insurance Limited
6. APA Life Assurance Company Limited
7. Barclays Life Assurance Kenya Limited
8. Britam General Insurance Company (K) Limited
9. Britam Life Assurance Company (K) Limited
10. Cannon Assurance Company Limited
11. Capex Life Assurance Company Limited
12. CIC General Insurance Company Limited
13. CIC Life Assurance Company Limited
14. Continental Reinsurance Limited (Kenya)
15. Corporate Insurance Company Limited
16. Directline Assurance Company Limited
17. East Africa Reinsurance Company Limited
18. Fidelity Shield Insurance Company Limited
19. First Assurance Company Limited
20. GA Insurance Limited
21. GA Life Assurance Limited
22. Geminia Insurance Co. Limited
23. ICEA Lion General Insurance Company Limited
24. ICEA LION Life Assurance Company Limited

25. Intra Africa Assurance Company Limited
26. Invesco Assurance Company Limited
27. Kenindia Assurance Company Limited
28. Kenya Orient Insurance Limited
29. Kenya Orient Life Assurance Limited
30. Kenya Reinsurance Corporation Limited
31. Liberty Life Assurance Kenya Limited
32. Madison Insurance Company Kenya Limited
33. Mayfair Insurance Company Limited
34. Metropolitan Cannon Life Assurance Limited
35. Occidental Insurance Company Limited
36. Old Mutual Assurance Company Limited
37. Pacis Insurance Company Limited
38. Phoenix of East Africa Assurance Co. Limited
39. Pioneer General Insurance Company Limited
40. Pioneer Assurance Company Limited
41. Prudential Life Assurance Company Limited
42. Resolution Insurance Company Limited
43. Saham Assurance Company Kenya Limited
44. Sanlam General Insurance Company Limited
45. Sanlam Life Assurance Company Limited
46. Takaful Insurance of Africa Limited
47. Tausi Assurance Company Limited
48. The Heritage Insurance Company Limited
49. The Jubilee Insurance Company of Kenya Limited

50. The Kenyan Alliance Insurance Company Limited

51. The Monarch Insurance Company Limited

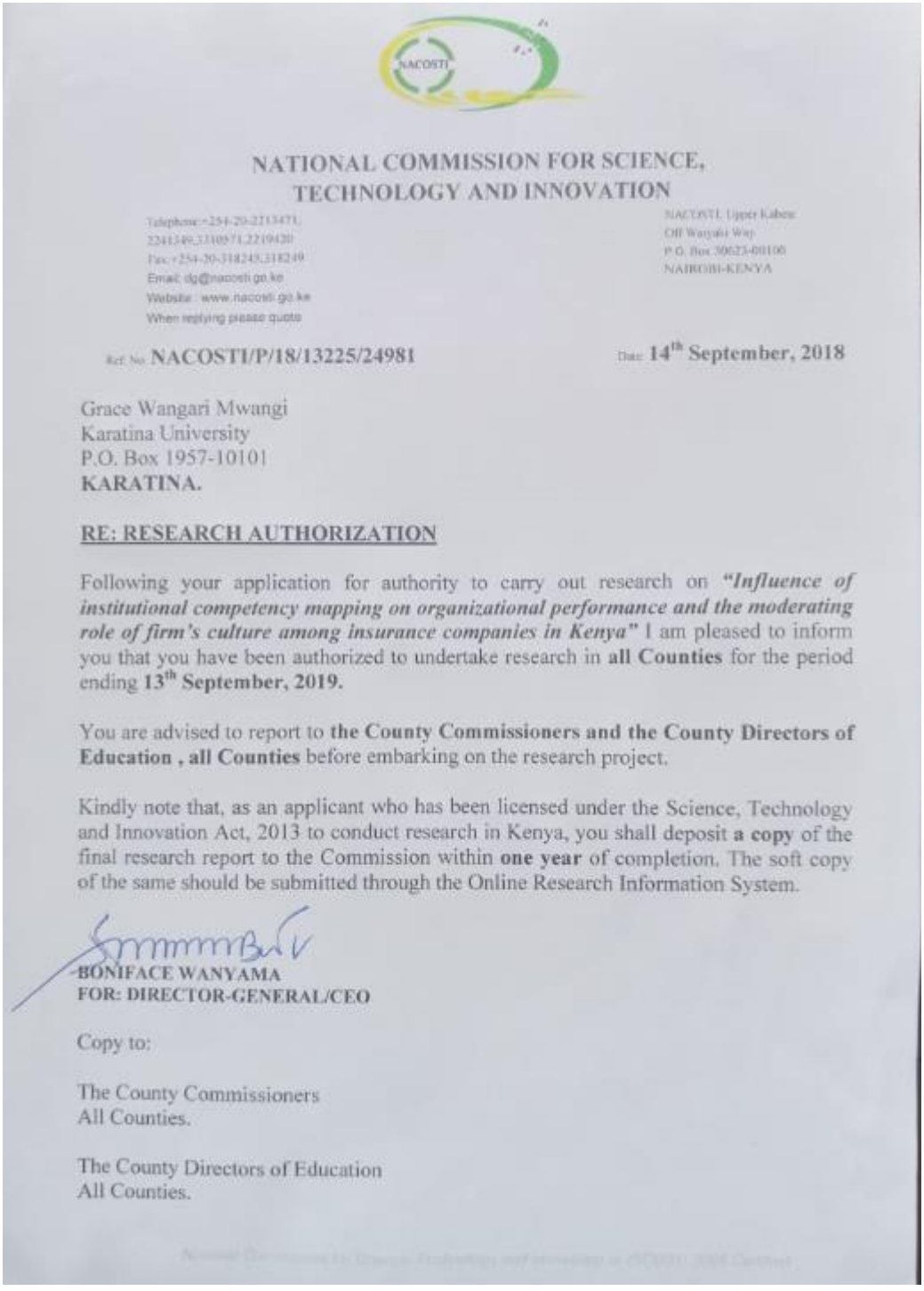
52. Trident Insurance Company Limited

53. UAP Insurance Company Limited

54. UAP Life Assurance Company Limited

55. Xplico Insurance Company Limited

Appendix V: Research Authorisation from NACOSTI



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Ref. No. **NACOSTI/P/18/13225/24981**

Date: **14th September, 2018**

Grace Wangari Mwangi
Karatina University
P.O. Box 1957-10101
KARATINA.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on ***"Influence of institutional competency mapping on organizational performance and the moderating role of firm's culture among insurance companies in Kenya"*** I am pleased to inform you that you have been authorized to undertake research in **all Counties** for the period ending **13th September, 2019.**

You are advised to report to **the County Commissioners and the County Directors of Education , all Counties** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit **a copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.

BONIFACE WANYAMA
FOR: DIRECTOR-GENERAL/CEO

Copy to:

The County Commissioners
All Counties.

The County Directors of Education
All Counties.

Appendix VI: Research Permit from NACOSTI

THIS IS TO CERTIFY THAT:
MS. GRACE WANGARI MWANGI
of KARATINA UNIVERSITY, 3440-200
NAIROBI,has been permitted to conduct
research in *All Counties*

on the topic: *INFLUENCE OF INSTITUTIONAL COMPETENCY MAPPING ON ORGANIZATIONAL PERFORMANCE AND THE MODERATING ROLE OF FIRM'S CULTURE AMONG INSURANCE COMPANIES IN KENYA*

for the period ending:
13th September,2019

Permit No : NACOSTI/P/18/13225/24981
Date Of Issue : 14th September,2018
Fee Recieved :Ksh 2000

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Applicant's Signature

.....
Director General
National Commission for Science, Technology & Innovation