THE EFFECT OF ORGANIZATION CULTURE ON RISK MANAGEMENT

CASE STUDY: POST BANK UGANDA LIMITED

A dissertation presented to

FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT

in partial fulfillment of the requirements for the award of the degree

Master of Business Administration

UGANDA MARTYRS UNIVERSITY

NAPOKO Paul Joseph

2016-M101-10014

Supervisor: Kimera Jude

Co- Supervisor: Idraku Felix

October 2019

UGANDA MARTYRS UNIVERSITY

SCHOOL OF POSTGRADUATE STUDIES AND RESEARCH

Master's Dissertation

Declaration

I have read the rules of Uganda Martyrs University on plagiarism and hereby state that this work is my own.

It has not been submitted to any other institution for another degree or qualification, either in full or in part.

Throughout the work I have acknowledged all sources used in its compilation.

Name of Researcher: PAUL JOSEPH NAPOKO

Researcher's signature: 21/10/2019

This work has been produced under my supervision

Name of Supervisor 1 Jude B. Kimera

Signature of Supervisor 1 21/10/2019

Name of Supervisor 2 Idraku Felix

Signature of Supervisor 2 21/10/2019.

Date of Submission: 23/10/19

Submitted to: SCHOOL OF POSTGRADUATE STUDIOS

Acknowledgement

I wish to express my sincere gratitude to several people without whose support I would not have successfully completed this work.

I am especially thankful to my research supervisors Mr Kimera Jude and Mr Idraku Felix for their encouragement, professional guidance and continuous academic support. This helped me appreciate organisation culture and risk management even more and as well shape this research.

I am also grateful to the Dean Faculty of Business Administration and Management, Sr. Dr Marie Nakitende and the entire staff for their professional academic support throughout the entire program.

I am also grateful to the staff of Post Bank Uganda Limited who accepted to participate in this research process and provided the necessary information for the study.

I would also like to thank my classmates on this MBA program with whom I constantly engaged discussed different academic areas that were also relevant in helping build this work.

Lastly, I would like to thank my dear parents Mr Wamukoota Nandaah and Mrs Wamukoota Juliet plus my entire family for the love, moral, social and academic support throughout my education.

Table of Contents

List of Tables

List of Figures

List of Abbreviations

B.O.U	:	Bank of Uganda
BCBS	:	Basel Committee on Banking Supervision.
CEBS	:	Committee of European Banking Supervisors.
CID	:	Criminal Investigations Directorate.
COSO	:	Committee of Sponsoring Organizations of the Treadway Commission.
EIU	:	Economic Intelligence Unit.
ERM	:	Enterprise Risk Management.
ERM	:	Enterprise Risk Management.
FCA	:	Financial Conduct Authority.
FCA	:	Financial Conduct Authority.
FCIC	:	Financial Crisis Inquiry Commission.
FIA	:	Financial Institutions Act (2004)
FSA	:	Financial Services Authority.
FSB	:	Financial Stability Board.
IFC	:	International Finance Cooperation
IIF	:	Institute Of International Finance.
IRM	:	Institute Of Risk Management.
ISO	:	International Standardisation Organisation.
NAB	:	National Australia Bank.
PWC	:	Price Water House Coopers.
RMA	:	Risk Management Association.
SEC	:	Securities Exchange Commission.

Abstract

The study was about the effect of organisation culture on risk management in Post Bank Limited, Uganda. The study was informed by the fact that, organisation culture plays a significant role in risk management in financial institutions which requires empirical assessment. The study was guided by three objectives which included: to assess the effect of artifacts on risk management, to assess the effect of values on risk management and to assess the effect of shared assumptions on the risk management in Post Bank Uganda Ltd. The study used a case study research design with both quantitative and qualitative approach. The unit of inquiry were the bank staff and unit of analysis was Post Bank Uganda. Data was collected from 111 respondents using closed ended structured questionnaire as quantitative approach and 5 respondents using interview guide as qualitative approach. Quantitative data was analysed using SPSS version 20 to generate descriptive, correlation and regression empirical analysis while qualitative data was analysed using Atlas ti version 1 to generate explanatory notes.

The results from the descriptive analysis indicate that the respondents agreed with existence of favourable organisation culture to foster risk management with the mean value of 4.00. The correlations analysis indicates that organisation artifacts, values and shared assumption; organisation structure and technology capacity have a positive statistically significant relationship with risk management at the bank. Other findings from regression analysis establish that organisation artifacts, values; organisation structure and technology capacity predicts risk management at 95% level of significance while shared assumption does not predict risk management in Post Bank Uganda. Organisation culture, structure and capacity explain 53.3% variation on risk management (R-Square = 0.533) while other factors are explained by 46.5%.

The study recommends that managers, supervisors and staff in banks should focus on organisation artifacts, values, and organisation structure and technology capacity to influence effective risk management in order to enhance organisation efficiency.

CHAPTER ONE
GENERAL INTRODUCTION

1.0 Introduction

The Financial sector worldwide plays a fundamental role in different economies. First, the financial sector plays a key public role in allocating scarce capital and exerting market discipline throughout a complex, global economy (Dudley, 2014). However, its ultimate goal must not only be to maximise the wealth of its shareholders but to also enrich society by supporting economic activity and creating value and jobs to ultimately improve the well-being of the people (Lagarde, 2015). Therefore, for the economy to achieve its long- term growth potential there's need for a sound and vibrant financial sector (Dudley, 2014).

According to Ceccheti (2006), financial institutions form the fourth part of the financial system which include banks, microfinance institutions, insurance companies' hedge and mutual trust funds plus forex bureaus. These provide myriad of services depending on the industry in which the institution operates such as access to financial markets, keeping financial resources safe and readily available for use and provision of financial information among others. It is however essential that a firm has a robust and pervasive risk culture which should be embedded in the way the firm operates covering all areas and activities with particular care not to limit risk management to specific business areas or to have it operate only as an audit or control function (Deliotte,2012).

In the current economic and banking environment, in which banks are acting more decisively to respond to existing and emerging risks, it is increasingly important to act on risk culture (Costa et.al 2014). With the right risk culture, management can effectively implement its business strategies and objectives (Davidson et al., 2012). The right culture for a specific organisation is however one which enables it to pursue strategic goals within its risk appetite while managing the risks of doing business and fulfilling regulatory compliance obligations (Deliotte, 2015). Having an appropriate banking culture is an essential mechanism to reinforce effective risk management to create value for an organisation (Unterrheiner, 2017).

Althonyan (2012), conjures that absence of enterprise risk management (ERM) culture leads to dysfunction of the business units which deters management of risks to achieve financial institution strategic objectives. These further results into low reliability and a lack of consistency in the execution of the risk management process. A sound risk culture bolsters effective risk management, promotes sound risk taking, and ensures that emerging risks or risk taking activities beyond the institution's risk appetite are recognised, assessed, escalated and addressed in a timely manner (Falcon, 2014). The most important way in which culture matters is that it has a critical effect on risk management effectiveness (Hillson, 2002). Therefore the prevailing risk culture within an organisation can make it significantly better or worse at managing risk (IRM, 2012).The effective development of a risk culture throughout the firm is perhaps the most fundamental tool for effective risk management(IIF, 2008).

Further, Bostanci (2013) argues that risk culture is extremely important for the risk management practises of a financial organisation. Risk culture in essence affects all risk management related aspects and ultimately affects whether risk management structure, methods and procedures will benefit or damage an organisation (Paalanen, 2013). In addition Deloach (2015), links risk culture to a glue that binds all elements of risk management infrastructure together as it reflects the shared values, goals, practices and reinforcement mechanisms that embed that embed risk into an organisations decision making processes and risk management into its operating processes. The cultural aspects hence provide a context for technical modelling and reinforce the importance of a risk management function that enables and empowers individuals to act in a decisive and pre-emptive manner (Cole, 2014).

Epps (2013) states that risk culture is an important indicator of how widely an organisation's risk management policies and procedures have been adopted to strengthen the organisation risk culture. This implies that implementing an effective risk management framework requires a sound risk culture, which ultimately benefits a robust risk management framework, thus triggering a virtuous circle (Marchat, 2016). Likewise the strength of organisation culture can be determined by the level of consistency in formulation of policies and profile to effectively manage risks in the organisation (Brooks, 2010).

These arguments highlight the relevance of organisation culture in risk management which provided a basis for this research study to establish the effect of organisation culture on risk management in Postbank Uganda Ltd.

1.1 Background of the study

Evolving business issues continue to demand cultural change in financial institutions (Randall, 2010). These include aggressive growth targets pursued in an environment of increasing costs, intensified competition and more voluminous and complex regulatory demands (Dzapharov, 2016). Potential cultural requirements include the need to increase risk awareness and ownership and to diversify workforces, while engaging and focusing more sharply on customer needs (Deliotte, 2015). In relation to this, risks that accompany banking are modified and increased continuously under the influence of factors such as daily product and process innovation and entry into new markets and territories involving multiple risk classes.

Corporate governance requirements around the world are increasingly demanding that boards of organisations should understand their risk culture. According to the Financial Reporting Council's Corporate Governance Code, each board member must be risk aware in establishing a company's culture, values and ethics. The International organisation for standardization in the international risk standard ISO31000:2018 section 4.2 states that management should ensure that the organisation's culture and risk management policy are aligned as well. Section 4.6 also reinforces the need for continuous improvement which should lead to improvements in the organisation's management of risk and risk management culture. In addition, International rating agencies have also heightened the relevance of risk culture in organisations. According to Standard and Poor's (2009) a company's risk management culture is the foundation for its ERM process. It further states that a positive and supportive culture embedding ERM into all operations of the company is a good indication that the company takes risk management seriously. Various studies and surveys undertaken by global regulators, consultancies and have also highlighted the need for financial institutions especially banks to address their risk cultures.

The Europe and United States of America subprime crises have demonstrated that even within a tightly regulated financial system, hard earned growth can be easily eroded in the absence of certain aspects of good risk management principles (IFC, 2015). This was evident clearly evident as the crisis was merciless to companies that allowed market instincts and inherent biases to drive risk taking to levels that were clearly unsustainable in the end (Rossi, 2018). A Key area of attention that has emerged from the diagnosis of the financial crisis is the critical importance of risk culture, risk identification and balanced incentives within financial institutions as preconditions for maintaining an effective risk management framework (IFC, 2015). Undoubtedly, the financial and risk landscape has radically transformed during the post crisis period as many industry observers feel that the current environment for risk taking is a vastly different place from the boom partly due to the myriad of banking and regulatory changes (Rossi,2018).

The Committee of European Banking supervisors believe that institutions must implement a consistent risk culture and it must extend across all of the organisation's units and business lines (PWC, 2010). In the United Kingdom the Financial Conduct Authority (FCA) has been constituted as conduct regulator seeking to protect consumers, enhance market integrity, promote effective competition and most importantly encourage positive cultural change in firms (Adamson, 2013). The need to audit and evaluate culture risk independently requires regulators to address concerns about culture risk with no bias or subjectivity (Thackeray, 2017).

In Australia the inquiry into the National Australia Bank (NAB) 'rogue trader' scandal by the Australian Banking regulator (APRA), concluded that this occurrence was symptomatic of an organisational culture that did not have sufficient regard to the risks attendant with these products APRA (2004). Whereas in Asia, Banca Della Svizzera Italiana most commonly referred to as BSI Bank, was forced to withdraw its status as a merchant bank in May 2016 by the request of the Monetary Authority of Singapore on the grounds of an unacceptable risk culture a case which leads credence to the argument that successful risk management and ultimately the survival of an organisation is directly related to its risk culture efficiency (Wood and Anya 2016). Problems with culture were therefore identified by inquiries around the world as the prime contributor to the Global Financial crisis as they were widespread across regulatory jurisdictions and types of financial institutions (McConnell and Blacker, 2011).

Trompenaars (1998), positioned organizational culture as shared values that dictate how personnel act, value and what they pay attention to within an organization. Adopting a similar point of view, O'Reilly and Chatman (1996), argued that culture is a system of shared values defining what is important, while norms define appropriate attitudes and behaviours that guide member attitudes and behaviours to holistically manage risks within an organisation. Similarly, Francesco (2010) saw organization culture as a notion that can be understood by asking insiders how they get work done in their place. In addition, Hofstede (2011) also claimed that the core of organisation culture is formed by values. Williams, Dobson, and Walters, (2013) echoed Hofstede's argument in this consolidative perspective arguing organisation culture as "the way personnel do things around them" and "the way personnel think about things around them". Thus, induce personnel desire to manage risks.

Gagliardi (2015), described organisation culture as a coherent system of assumptions, beliefs and basic values which distinguish one group from another and orient its choices in risk management. Hence, it is possible to observe an organization cultural pattern through the analysis of their value orientation (Kluckhohn & Strodtbeck, 2011). The study conceptualised organizational culture in terms of three levels which include artifacts, values and underlying assumptions as developed by Schein (2004).

Regulators and industry participants largely acknowledge the relevance of organisational culture in financial intermediaries as a crucial factor in preventing scandal, unexpected losses and even insolvency (Sheedy & Griffin, 2014). In particular, risk culture has been identified as being a key driver of employee behaviour and causal factor related to undesirable outcomes in financial institutions (Sheedy and Griffin, 2014). Regulators cannot therefore avoid judging culture because some of the causes of the Global financial crisis were deeply rooted in behavioural or cultural issues that resulted in actions and decisions that with the benefit of hindsight, were not the right ones to curb down risks in financial institutions (Sants, 2010).

The Financial Stability Board (FSB) consultative document (2013) states that an anticipatory and strategic approach to engage in high- level sceptical conversations with the board and senior management on the financial institutions risk appetite framework. Furthermore, Financial Stability Board in 2011 established that many firms have made progress in conceptualising and articulating a risk appetite statement but supervisors observe few changes in risk management culture. Similarly, the results of two surveys of financial services executives conducted by Protiviti a global risk and business consultancy show that risk culture is a challenge for many financial institutions asserted that 25% of the respondents to a survey that was carried out together the Economic Intelligence Unit identified risk culture as a key hurdle to improving risk management and compliance performance (EIU/Protiviti survey, 2013). In another survey conducted with the Risk Management Association only 37% of the respondents noted that they evaluate risk culture (RMA/ Protiviti survey, 2013).

The Basel committee on banking supervision (BCBS) has also in its principles for the sound management of operational risk (2011) emphasized the need for strong risk culture. Principle 1 states that the board of directors should take the lead in establishing a strong risk management culture. It further states that the board of directors and senior management should establish a corporate culture that is guided by strong risk management and that supports and provides appropriate standards and incentives for professional and responsible behaviour. In this regard, it is the responsibility of the board of directors to ensure that a strong operational risk management culture exists throughout the whole organisation. This shows that regulatory bodies have taken up this challenge and started building guidance to supervise risk culture (Marchat, 2016). In relation to this, the Institute of International Finance (2009) called up on management to take an active interest in the quality of the firm's risk culture to foster greater resilience and continuous improvement to reflect the strategic aims of the organisation.

Gongloff (2012), illustrates that a deficient culture operated not just at the sales level, a Goldman's director, Rajat Gupta was found guilty and sentenced to jail for insider trading which exposes risks in financial institutions. Similarly UBS which is also a globally systematic important bank has had a number of serious risk management problems during and after the Global financial crisis (Stewart, 2012). These problems include mis-selling of auction rate securities (SEC, 2008), rigging the market for municipal bonds (Stewart, 2012), misleading investors in proprietary closed-end mutual funds, fraudulent gambling of $ 2.3bn by one it's traders Kekwu Adoboli (Financial Times,2012),weakness in the challenge culture within the support and control functions (FINMA 2012,FSA 2012a) and the Libor fixing scandal where the US Justice Department found the bank's conduct simply astonishing (Bloomberg, 2012). This has resulted into hefty fines and further highlights how a flawed organisation culture affects the capability of banks to manage risk.

On the African continent, the first major bank collapses were witnessed in the 1990's and this was mainly attributed to acute moral hazard which contributed to highly imprudent, and in some cases fraudulent lending strategies especially insider loans often unsecured and invested high risk speculative ventures thus breaching large loan exposure limits (Brownbridge, 1998).This was evident with large local bank failures such as Continental bank, Trade Bank and Pan African in Kenya (Brownbridge, 1998).While in Nigeria insider loans accounted for 65% of the total loans of the four banks liquated in 1995, virtually all of which was unrecoverable (NDIC,1994).

Almost half of the loan portfolio of one of the Ugandan local banks taken over by the Bank of Uganda in 1995 had been extended to its directors and employees (Brownbridge, 1998).

However, African banks still face an uphill task as they seek to grow their culture to manage risks. In the East African region a number of changes have been witnessed as regulators seek ways to improve the banking sector. Kenya has for instance formulated the Kenya Deposit Insurance Corporation which together with the Central Bank of Kenya carries out joint surveillance and examination of corporate Governance practises and financial statuses of every lender with the view of engaging discussion with directors and owners of troubled institutions for a change of organisation culture to curb down risks. This comes after the collapse of Dubai Bank in August 2015, Chase Bank Feb 2016, National Bank and Imperial bank with analysts BPI Capital and Renaissance Capital pointing out inappropriate banking practices such as exaggeration of bank profits, insider lending, understating of loan provisions and fraud which resulted into interdiction of respective top managers and a run on deposits (Anyanzwa and Olingo, 2017). In Tanzania the central bank closed The FBME bank in July 2017 following a report from the US treasury Financial Crimes Enforcement network describing the bank as money laundering concern (Karega, 2017). Similarly in the Ugandan context, a number of scenarios clearly point how flaws in organisation culture have negatively impacted on banks. The Criminal Investigations Directorate (CID) is investigating more than 20 cases registered between January 2015 and January 2016 in which seven banks lost about Shs 7bn in what has been termed as fraud engineered by bank employees (Bagala, 2016). Notable among these has been at Equity Bank where former Equity bank operations manager David Serwamba together with other staff were charged and convicted of embezzlement and money laundering of over Shs 4.6bn after sufficient evidence proved that there was deliberate and illicit channelling of the money in question to fraudsters from the bank (Kasule, 2017).

Furthermore, at Barclays bank for instance, staff repeatedly filed misleading figures for interbank borrowings, colluded with traders at other banks trying to influence the Libor rate in order to boost their profits and filed artificially low figures to hide the level to which Barclays was under financial stress at a point where their peers were being forced to accept state funding. This led to the resignation of the bank's chief executive Bob Diamond, along with the Barclays chairman Marcus Argius. Barclays was fined £ 290m by UK and US regulators for rigging Libor (BBC Website, 2012), (Barclays Press Release, 2012).

Prior the incorporation of Post Bank Uganda in accordance with the Communications Act of 1997 to take over the operations of the former Post Office Savings department, it has encountered several risks in operations which are tied to organisation culture (Joel, 2012). This in turn leads to poor decision making which may result in imprudent risk taking (Sants, 2010). An inappropriate risk culture, means not only that certain individuals or teams will undertake activities that are totally at odds with stated policies and procedures but that the rest of the organisation ignores, condones or does not see what is going on. Therefore, problems with risk culture are frequently found at the root of organisational scandals and collapses (IRM, 2012). As most cases have centred on market rigging in traded markets, selling of structured and bundled products to unsophiscated wholesale and retail clients and high profile anti-money laundering violations (Geigleir, 2015). Lessons coming from the financial crisis have shown that risk management frameworks whatever their levels of effectiveness are simply not enough on their own, increasingly organisations and stakeholders are therefore recognising the importance that culture plays in risk management (Renel and Berliner 2012). Therefore having a strong firm wide culture and its effect on risk management have clearly become a top mind issue for senior management (Ernst and Young 2015).

PWC (2011), in a related argument avows that many executives do not understand the impact of their organisation's culture but they simply assume that their employees know what sort of behaviour is expected. And even when a company formally articulates the values, beliefs and practices it espouses, it can unwittingly undermine them. Therefore, with the growing management realization that the financial collapses of many financial institution originated from the flawed risk culture or no culture at all has put the concept of risk culture in the spotlight (Althonayan et.al, 2012). Auditor General Report (2016) disclosed that failure by management to do penetration test to assess the internal and external vulnerability of IT systems has led to losses worth Ugx 240m in fraud cases and also exposes the bank to reputation risk and susceptible to cyber-attacks. Furthermore, poor and inconsistent processing of ATM transactions has resulted in discrepancies in the bank's ATM transactions of Ugx 2,613,028,560 and thus exposes the company to payment of higher risk premiums imposed by Bank of Uganda due to probably ineffective organisation culture.

As in many cases, the source of the problems was the human factor since many companies had well established risk management functions, process and controls in place. Thus the understanding of risk culture and addressing its problems became high on the agenda of most boards of organisations (Oprescu, 2016**)**. This therefore necessitates creating a culture that reflects and reinforces those standards management wants. This background has therefore provided insights on the subject of culture and risk management in banking which the study sought to investigate.

1.2 Statement of the problem

Although the importance of risk management is widely accepted, organisations often underestimate the influence of organisational culture on risk management (Oprescu, 2016). A misaligned risk culture reveals itself in negative events and such a culture allows risk taking to get out of control and even mask excessive costly risk measures in financial institutions (Walker et.al, 2014).

Furthermore, Opio (2014) conjures that Post Bank Uganda is constrained with risks attached to loan non-performance, fraud, compliance and market risks that deter its operation amidst of available risk management culture. Post Bank Uganda Audited Report (2016) disclosed that up to Ugx 1.3bn was in arrears beyond half a year contrary to the bank financial regulations which is significant. Furthermore, the bank has received marginal ratings according to B.O.U supervision reports. As result, Post Bank Uganda Limited has been required to pay additional risk adjusted risk premiums towards the deposit protection fund under Section 109(7) of the FIA Act (2004). This necessitated a study to examine the effect of organisation culture on risk management in Post Bank Uganda Ltd.

1.3 Objectives of the study

The objectives are categorized into general and specific objectives.

1.3.1 General objective

The general objective of the study was to examine the effect of organisational culture on risk management in Postbank Uganda Ltd.

1.3.2 Specific Objectives

The study was guided by these specific objectives:

- To assess the effect of artifacts on risk management in Post Bank Uganda Ltd.
- To assess the effect of values on risk management in Post Bank Uganda Ltd.
- To assess the effect of shared assumptions on the risk management in Post Bank Uganda Ltd.

1.4 Research hypothesis

The study was guided by these null research hypotheses:

- Artifacts have a negative effect on risk management in Post Bank Uganda Ltd.
- Values have a negative effect on risk management in Post Bank Uganda Ltd.
- Shared assumptions have a negative effect on risk management in Post Bank Uganda Ltd.

1.5 Scope of the study

The study scope is sub-divided into content, time and geographical.

1.5.1 Content Scope

The study is centred on the effect of organisation culture specifically in terms of artifacts, values and shared assumptions on risk management in Postbank Uganda Ltd. The trio include artifacts, values and shared assumptions are more emphasised attributes of the bank. Artifacts consists of all phenomena that one hears, feels and sees when one encounters a new group and visible behaviour pattern; espoused values is depicted by collecting or asking information about the true meaning of artifacts from the insider's informants; and underlying assumptions address the interactions between the artifacts perceived and information gathered from the insider informants through espoused values to effectively manage risks.

1.5.2 Time Scope

The study took 12 months from start to end. The period chosen was adequate to collect, analyse and write the research report. Literature reviewed mainly covers the past seven years between 2011 and 2018. Literature from seven years period was recent enough to provide relevant overview on the effect of organisation culture on risk management at Post Bank Uganda.

1.5.3 Geographical Scope

This study was based at Postbank Uganda limited Head office in Kampala and involved staff from the operations, credit and risk management departments of the bank.

1.6 Significance of the study

- The board of directors of the financial institution. The findings will provide them with desirable organisation culture to manage risks as forefront risk managers in the institution.
- The information from this study will also help banking practitioners to keep in touch with emerging risk trends and challenges in the industry. In addition, banking practitioners will also use this research as a reference in the course of operations as they seek ways of managing systemic and non-systemic risk.
- In matters related to policy, this research will help policy makers to review existing risk management policies and design the suitable ones to manage risks in banks.

- In the field of academia, the research findings will serve as a reference point for students and researchers in this area or other related areas of study as it is still an emerging field of study.
- Additionally, this research will also build on the existing literature by exploring how different measures of organisation culture affect risk management process in commercial banking.

1.7 Justification of the study

Risks are evolving rapidly, and the speed of change and interconnectivity is continually increasing, making it imperative for banks to adjust quickly (Abril et.al, 2016). Like all businesses, banks in particular are risk taking and risk managing organisations. But unlike other businesses, the leverage inherent in fractional reserve makes banks uniquely susceptible to mismanagement of risk; and this carries particular threats to the wider economy (KPMG, 2015). A risk awareness culture with a holistic view can improve a company's ability to identify and mitigate downside risks and exploit immediate value adds by predicting changes and reacting more quickly (Abril et.al, 2016). Risk culture is therefore a good indicator of how widely a bank's risk management policies and practices have been adopted (Deliotte, 2012). Risks are worrying the banking industry in Uganda due to poor performance that leads to collapse of many banks amidst of risk organisation culture (Paalanen, 2013). The importance organisation culture towards risk management is not yet established to save the banking industry. Further, effort is made to manage risk with organisation culture but the poor performance is perpetually realised due to bankruptcy and the like. The limited research so far carried out in this area and the probable contribution of organisation culture on risk management necessitated a study to examine the effect of organisational culture on risk management in Postbank Uganda Ltd.

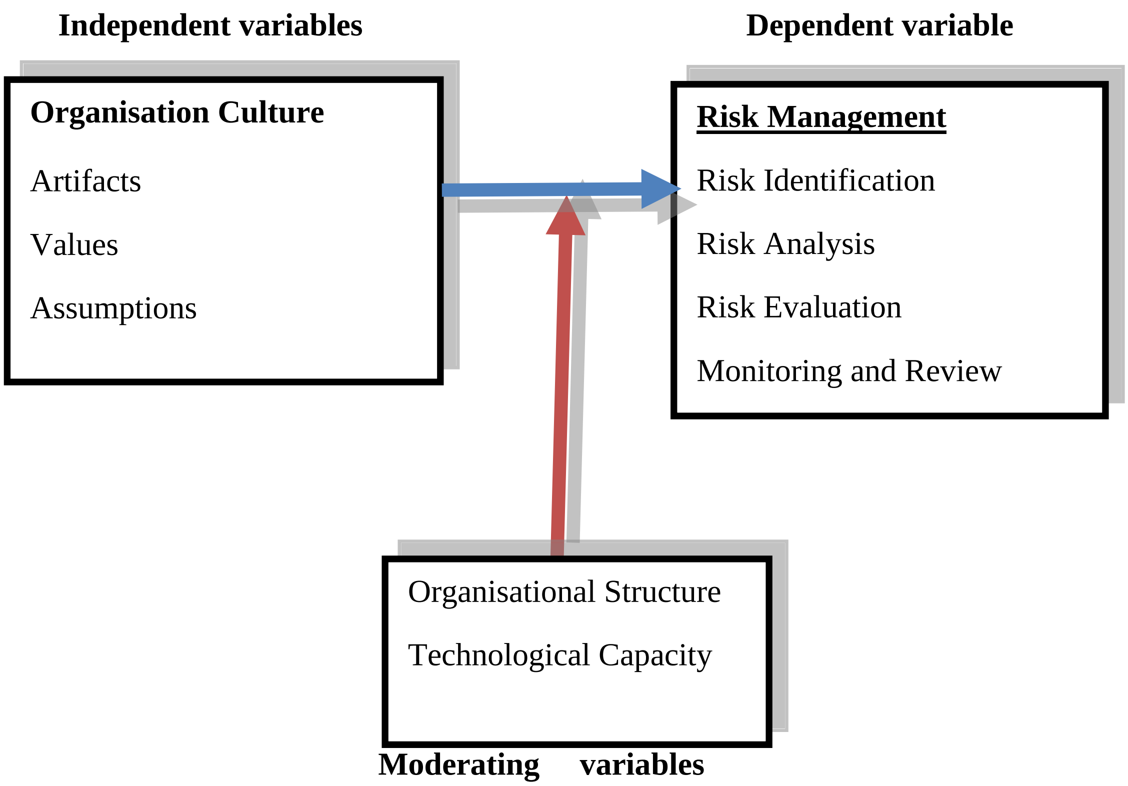
1.8 Conceptual Framework

The conceptual framework elaborates the link between organisational culture and the risk management process. According to Unterrheiner (2017), risk culture is the manifestation of how an organisation reacts to uncertainty and risk thus giving more significance to the relationship between organisation culture and risk management. It is therefore important to first of all understand the organisations current culture and how well it supports the entity's approach to managing risk.

In developing this conceptual framework, Edgar Schein's (1988) organisational culture framework was adopted. His organisational model illuminates culture from the standpoint of the observer described at three levels: artifacts, espoused values and basic underlying assumptions. Artifacts are difficult to measure and they deal with organizational attributes that can be observed, felt and heard as an individual enters a new culture. Values deals with the espoused goals, ideals, norms, standards, and moral principles. Underlying assumptions deal with phenomena that remain unexplained when insiders are asked about the values of the organizational culture. Information is gathered in this level by observing behaviour carefully to gather underlying assumptions because they are sometimes taken for granted and not recognized, although they have significant contribution on risk management in the bank.

In this study, artifacts, values and shared assumptions are conceptualized as key attributes of organizational culture to facilitate risk management which entailed risk identification, risk analysis, risk evaluation, risk monitoring and review. The link between study variables is illustrated in figure 1.1.

Figure 1.1: Conceptual Framework



Source*: Adopted from Edgar Schein's (1988); Borge (2013) and modified by author (2019).*

Figure 1.1 illustrates the conceptual framework to indicate how the key attributes of organisation culture affect the risk management in the bank. Borge (2013) states that a strong risk culture displays the desirable values, artifacts and shared assumptions that are necessary for effective risk management. A robust risk culture covering all areas and activities facilitates risk management. (IIF, 2008). This bolsters effective risk management through sound risk taking and control is manifestation of support from organisation culture (PWC, 2014).

In addition, shared assumptions positions the banks to identify and prepare for future changes and deliver greater long term value for stakeholders (Abril et.al, 2015). The importance of risk management framework and risk culture and it's interconnectedness to ensure the long run financial stability of each organisation has been revealed (Marchat, 2016). In essence, risk culture is the glue that holds enterprise risk management frameworks together (Bingham, 2015). It is however important to note that there are other critical key success factors for effective risk management in financial institutions such as organisational structure, technological capacity, compliance and organisational innovativeness (Ahmed & Manab, 2016). The moderating variables for the study include organisation structure and technological capacity as shown in the conceptual framework.

1.9 Definition of key terms

Risk

Risk is the effect of uncertainty on objectives (ISO 31000: 2018, Risk Management- Guidelines).

Organisation Culture

It's conceptualised from the three levels to include artifacts, values and assumptions as developed by Edgar Schein (1988). Further, described as pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems (Schein, 2004).

Risk Culture

Risk culture can be defined as the norms and traditions of behaviour of individuals and of groups within an organisation that determine the way in which they identify, understand, discuss and act on the risks the organisation confronts and the risks its takes (Institute of International Finance,2009).

Risk management

Risk management is an iterative process that involves the systematic application of policies, procedures and practices to the activities of communicating and consulting, establishing the context and assessing, treating, monitoring, reviewing, recording and reporting risk (ISO 31000:2018, Risk Management- Guidelines). Risk management is conceptualised in terms of risk identification, risk analysis, risk evaluation, monitoring and review.

Monitoring and review of activities

It refers to the regular observation and recording of activities taking place in a project or program. It is a process of routinely gathering information on all aspects of the project through on-going monitoring, separate evaluations and reporting deficiencies (COSO, 2004).

1.10 Structure of the thesis

This thesis is structured into five chapters. Chapter one gives a general introduction, background, statement of the problem, objectives of the research, scope of the study, significance and justification of the research.

Chapter two looks at the theoretical framework of the research and also reviews literature on organisation culture and risk management.

Chapter three handles the research methodology particularly research design, area of study, study population, sample size and sampling procedures, data collection methods and instruments, quality control and data analysis techniques that were used in the study.

Chapter four focuses on presentation of research findings, data analysis and interpretation of research findings. This chapter also puts into consideration the views expressed by the research participants on risk culture and risk management.

Chapter five presents a summary of the findings, recommendations from the study and suggested areas for further research as regards risk culture.

1.11 Conclusion

This chapter has given a preamble for this research and has illustrated the gaps with regards to organisation culture in commercial banks. The next chapter dealt with review of literature.

CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

This chapter presents a review of literature regarding organisational culture and risk management. The literature review of this study was conducted along two themes namely: Organisation culture (Artifacts, Values and Assumptions) and Risk Management (risk identification, analysis, evaluation, monitoring and review) which were applicable to the thesis. In the process of identifying the pertinent literature and its further analysis, the designated literature was firstly divided into three individual scopes in order to comprehend their individual definitions and concepts. In addition to this, contingency theory of risk management and organisational culture theory were identified to back this study to form the theoretical review.

2.1 Contingency Theory of risk management

The contingency theory underpins the effect of organisation culture on risk management. It was advocated by Fred Fiedler in 1967.The contingency theory is an organization theory which claims that there is no best way to organize risk in the financial institution. The theory suggests that the optimal course of action is contingent (dependent) upon the control, external situation, technology and strategy to induce risk management. The contingency theory of risk management entails identification of potential design parameters that can explain observable variation in the risk anticipated within the project to induce its successful implementation. Furthermore, Chenhall (2007) pointed out that it is through contingency practice which aids an organisation to identify appropriate structural model to monitor and review entire portfolio transactions of the financial institution. The essence of a contingency theory in the study is to establish the appropriate suitable mechanism of strengthening organisation culture to effectively manage risks.

2.2 Organisational culture theory

Organizational culture is a system of shared assumptions, values, and artifacts which governs how people behave in organizations. Modern organization theory is rooted in concepts developed during the beginnings of the Industrial Revolution in the late 1800s and early 1900s. The considerable input during that period was the research done by of German sociologist Max Weber (1864-1920). Weber believed that bureaucracies, staffed by bureaucrats, represented the ideal organizational form. Weber based his model bureaucracy on legal and absolute authority, logic, and order. In Weber's idealized organizational structure, responsibilities for workers are clearly defined and culture is tightly controlled by competencies, environment and employee relationship which facilitates comprehensive risk management.

The most widely used organizational culture framework is that of Edgar Schein (1988), who adopts the functionalist view and described culture as a pattern of basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore is to induce competences, environment and employee relationships. Culture exists on three levels: Artifacts -Artifacts are difficult to measure and they deal with organizational attributes that can be observed, felt and heard as an individual enters a new culture to determine the competencies. Values - This level deals with the espoused goals, ideals, norms, standards, and moral principles and is usually the level that is usually measured through scanning the organisation environment. Underlying assumptions - This level deals with phenomena that remain unexplained when insiders are asked about the values of the organizational culture.

Information is gathered in this level by observing behaviour carefully to gather underlying assumptions because they are sometimes taken for granted and not recognized. According to the study, artifacts, values and employee shared assumptions are conceptualized as essential attributes of organizational culture that affect risk management in Postbank Uganda Ltd.

2.2.1 Organisation culture

The study suggested that organisation culture through artifacts, shared values and assumptions play significant role on effective management of risk. There have been numerous attempts to define and classify between different organizational cultures (Hofstede & Quinn, 2010). Each culture has its own set of resources and capabilities which determines competence, environment and employee relationship. However, it is difficult to generalize the appropriate quality methods and tools for different organizations. When an organization launches methods and tools it has to make sure that those are the most appropriate, but at the same time it has to make sure the organization has the right enablers for making the most out of a method or a tool.

The core competencies are valuable capabilities that are collective and unique in their characteristics, as well as strategically flexible contributing towards the success of potential business. An organizational core competency is an organization's strategic strength. Organizational core values, competencies, the unique resources of an organization, affect many products and services and provide a competitive advantage in risk management in the workplace (Johnson & Scholes, 2012). The unit of command supports reporting relationships to manage risk in commercial banks (Hofstede & Quinn, 2010). Commercial banks use their unique resources which include their capabilities and competencies to be ahead of their competition through formation of strategic plan to achieve great competitive advantage.

In addition Boelus (2011) observes that collective decisions about risks are the outcome of a 'mosaic' of interactions between governmental or administrative actors, science communities, corporate actors and actors from civil society at large, many of the interactions taking place are relevant to only individual parts of the overall process to manage risks. Felonic (2013), asserts that the ability to control and direct technological destiny to manage risk fosters organisation performance.

Further, Prahalad and Hamel (2010) argues that capturing customers information keeps the bank up to date about the status of their customers to manage risk arising out of services offered and credit risks. The organisation culture through core competency harmonizes complex streams of technology and work activity to facilitate formulation of project strategy in alignment with endorsement of strategic plans, goals and objectives. Furthermore, Mascarenhas (2011) asserts that core competency through various forms like technical / subject matter know how, a reliable process, and/or close relationships with customers and suppliers supports efficiency of a commercial bank. Banks possess resources and capabilities to effectively manage risks by adopting strong strategy that utilizes resources and capabilities.

Charles (2012) conjures that commercial bank core competencies through shared values facilitates identification of appropriate risk management strategy to support the competitive advantage. In managing a commercial bank, managers identify organization's core competencies and provide required focus to effectively differentiate the market. Further, Olen (2013) asserts that core competencies leverage portfolio risk appraisal to support growth and widen the risk management to salvage the competitive advantage the organization has against its competitors.

Notably, Repario (2006) affirms that provision of clear risk management policies in the bank mitigates occurrence material misstatement with the financial statements whether due to fraud or error to foster fair presentation of financial statements. Furthermore, Pritchard (2012) argues that training work programs on risk prevention and detection with the aid of internal audit risk assessment and audit plans support the risk management process in the bank. Ngwenyama (2011), asserts that implementation of personal choice to hold one's self to consistent standards through integrity, honesty and truthfulness or accuracy of one's actions support risk management practices. Ojelanki (2012), argues that adoption of innovative ideas is critical towards risk management in the commercial bank.

Verma and Charu (2009) argue that interaction of team members on management of risk tasks support the organisation performance. Teamwork in business involves a group of individuals working together to complete a task or a large goal. The team openly discusses team norms and what may be hindering its ability to move forward and progress in areas of effort, talent, and strategy. Swan and Brian (2011), posit that the level of commitment relates to several aspects such as satisfaction, turnover, cognitive resonance between different hierarchical levels and performance on the job fosters management of risk. Sloane (2010), asserts that respect amongst employees' fosters teamwork to support risk management practices in an organisation.

Javidan (2011), asserts that a clear shared vision and communicating the bank's mission occupy significant attention to enhance functionality-related competencies (skills that enable the Bank to invest its services or products with unique functionality and distinctive customer benefits) to mitigate risks in the operation of the bank. Murphy (2012), argues that customer satisfaction measures bank efficiency which indicates minimal risk occurrence. Furthermore, Hafeez (2013) argues that empowerment through knowledge based management system facilitates excellent performance to manage risk in the commercial banks. However, organization's with underdeveloped knowledge management system lack full confidence about their employees' capability for such risk management responsibility which deters commercial bank performance**.**

Leonard (2009), contends that commercial bank process/ artifacts in liaison with the well-developed facilities in terms of information technology, building, human resource, organisation structure and the like facilities creation of innovative solution to manage risk. In addition, Ngugi (2010), conjures that development of core competencies facilitates general artifacts as an integral part of their risk management responsibility with overall value creation to foster competitive advantage in the Bank. This is important especially in the banking sector where there is competition and flexibility of customer's loyalty. Competency standards for organizational competence have been developed utilizing components and dimensions of competence identified by the project within the commercial banks.

Charles (2012), argues that creation of instant innovative measures to manage risks supports organisation efficiency. Fornell (2013), argues that customer information management supports management of risk in the commercial banks through deposit and credit management. Poppendieck (2013), argues that acting professional at work place fosters transparency and hard work to support risk management practices in an organisation. Professionals exhibit qualities such as honesty and integrity to support risk management practices in an organisation.

Hess and Gaertner (2006) disputes that commercial banks internal environment is composed of the elements within the organization, including current employees, management, and especially corporate shared assumptions, which defines employee behaviour towards risk management. Although some elements affect the organization as a whole, others affect only the manager.

Internal environment also includes culture with assumptions, values, norms, tangible and other intangible aspects like teamwork, coordination, efficiency level of employees, employee's salaries and monitoring costs, which support risk management. This supports risk management practices in an organisation.

It can further be argued that leadership styles drive the organisation culture to enhance risk management. In addition, Derol (2012) argues that manager's philosophical or leadership style directly impacts employees' competence to embrace shared values towards management of risks in the financial institution. Rehonal (2013), asserts that adoption of appropriate analytical procedures to assess risks within financial statements and expected relationships with non-financial data supports risk management. Therefore, fluctuations in the expected data relationships could point the auditors to some type of misrepresentation or fraudulent reporting by the company's management. Chatter (2014) argues that provision of personal advice on identified risks facilitates mitigation of compliance risk, reporting risk and operation risk which supports organisation performance.

Okirio (2009) asserted that full participation of staff fosters effective and efficient management of risk. This is induced by traditional managers who give explicit instructions to employees, while progressive managers empower employees to make many of their own decisions through shared assumptions to work in teams. Wood-Harper (2011), argues that provision of a conducive environment to ease self-assertiveness and potential of the staff fosters risk management practices and organisation efficiency. The strategy for competition should also be in sync with the internal resources to support commercial bank operations. Messmer (2011), asserts that equal treatment of staff supports communication of identified risks to support organisation efficiency financial institutions.

Walton (2014), conjures that shared assumptions within an organisation culture ease identification of opportunities and threats in the external environment, which fosters monitoring and review of risk. The internal environment analysis seeks to identify the strengths and weakness of the business through proper strategy, well elaborated structure, style, staff, skills, systems and shared values to support efficiency. Using the SWOT model, commercial banks can ensure that they have the right number of people (staff) and these people possess the right kind of skills, competence and expertise (skills), thus, streamline the process to enhance management of risk (Helto, 2011). These arguments bring out the two critical elements of organisation culture notably external adaptation and internal integration as highlighted by Schien (2004). Helto (2011), asserts that self-discovery and critic among staff supports innovation to accelerate risk management practices at the bank. External adaptation deals with the challenge of a constantly changing external business environment while internal integration deals with how the organisation rearranges itself.

Delery and Doty (2009) assert that employee shared assumptions and values facilitate effective risk management. Employee relationships facilitate effective training and development programs to improve the employees' performance. Training is given through different methods such as coaching and mentoring, peers cooperation and participation by the subordinates. This team work enables employees to actively participate on the job and produce better performance, hence improving organizational performance. Training of employees induces their competencies which facilitates risk management of an organisation. Therefore, it seems mandatory by the commercial bank to plan for such training programs for its employees to enhance their abilities and competencies that are needed at the workplace to foster risk management (Jie & Roger, 2005).

2.3 Risk management

Risk management process requires identification, analysis, evaluation, monitoring and review of risk to support organisation efficiency (Jie & Roger, 2005). Commercial banks encounter several risks in the process of providing financial services. Over the decade our understanding of the place of commercial banks within the financial sector has improved substantially due to improved risk management. Santomero (2009), argues that identification of the risk pertaining bank transactions supports risk management to influence organisation efficiency. Risk is the possibility of loss, injury, damage or peril which is an inevitable factor in the operations of the banking industry. Douglas and Wildavsky (2010) assert that forecasting the credit default risk rate at an early stage fosters organisation performance since uncertain eventualities are mitigated in advance. As risks are perceived differently by people subject to structures of social organisation, psychological and cultural factors.

Arlt et.al (2009) asserts that determination of a hazard or negative deviation from an organisation’s operation expected outcome fosters comprehensive risk management. Similarly, IFC (2015) looks at risk as the potential for loss or harm, or the diminished opportunity for gain, caused by factors that can adversely affect achievement of objectives. Adair and Hutchison (2005), argue that risk analysis allows investigation of financial, social or political risks primary risk consequences to foster risk management. Social, financial or political implication of risk consequences provides spectrum which ranges from certainty, characterized by full knowledge, to total uncertainty with a lack of knowledge. Whereas Hubbard (2009), argues that communication of risk eases the evaluation of probability and magnitude of a loss, disaster or any other undesirable event to support risk management. The IRM (2002), affirms that perspective forecast to likely risk injury and damages prevents the occurrence of potential risks.

Helocal (2012) argues that provision of instant data pertaining risks from all bank operations fosters effective risk management. In addition, the organisation shared values provide the foundation of risk management (Slovic, 1987).

Commercial Banks have shifted risk management from a proactive and offensive function to a discipline which accounts for management of portfolio transactions to foster better decision process with respect to operational and strategic decisions to support organisation efficiency (Rochette, 2009). Furthermore, Mills (2011) claims that a financial institution has diverse risks regarding the loan portfolio management, however, risk management through identification, analysis, evaluation, monitoring and review enables an enterprise to create better awareness and control to improve resource efficiency and enhanced ability to take additional business risk.

Siang and Ali (2012), assert that risk social concern investigates and calculates the social and economic implications of risks in order to assess the social response such as political mobilisation, organisation structure and like. The risk management framework facilitates improved consistency in risk management practices and better response to corporate governance requirements, regulatory pressures, capital availability and cost, capital deployment and market pressure through improved understanding of risk and mitigation options within financial institution portfolio products.

In general banks face two risk categories: financial and non-financial risk (Ai and Bricket, 2008). According to McNeil et.al (2005), vulnerable assessment of risks in the financial transactions supports fair presentation and reporting of financial statements at banks. Market risk is the risk of change in the value of a financial position due to change in the value of the underlying components of which that position depends (McNeil et al., 2005), like for example commodity prices and interest rates. Further, credit risk is the risk of not receiving promised repayments on outstanding investments, because of default of the borrower (McNeil et al., 2005). Wong (2012) argues that communication and consultation perceives this risk at an early stage to add value to organisation activities. It can also be defined as the possible loss the firm would suffer if any of its borrowers or other counterparties were to default on their obligations. Another financial risk at banks is liquidity risk, which is the risk that the financial institution has insufficient capacity to fund increases in assets or is unable to meet its payment obligations as they fall due, including repaying depositors or maturing wholesale debt (Wong, 2012). In general these risks are managed using financial instruments like derivatives, swaps, options, futures and forward contracts among others.

Non- financial risk could also be further separated into hazard risk, operational risk and strategic risk (Ai and Brocket, 2008). Hazard risks are externally driven risks like for example natural events for instance disasters, theft and liability claims (IRM, 2002). Bhimani (2009), asserts that gathering of information provides a clear understanding of risks to predict the appropriate collective action, which indicates that an information system is an arrangement of groups, data, processes and technology that act together to accumulate, process, store and provide information output needed to enhance and speed up the process of decision making. These risks could be best managed by buying insurances. Operational risks are caused by failing internal processes people and systems such as compliance risk, and legal risk (IRM, 2002; COSO, 2009). Strategic risks are directly related to bank's overall strategy and include among others reputation risk. Geesink (2012), argues that credit financial risk practice mitigates losses by understanding the adequacy of a bank's capital and loan loss reserves at any given time to reinforce management of risk on loans. These risks are difficult to insure or hedge and should be minimized using qualitative information.

COSO (2004), advocates that recording of financial activities fosters portfolio risk management (RM) which acts as strategic management control system applied in strategy setting to provide assurance regarding the achievement of entity objectives to ensure effective value-based management, activity-based management, the balanced scorecard, and other management control practices to support organisation efficiency. Unlike these other practices, however, risk management is not a measurement-centred practice. It focuses on “potential events” rather than on past performance and, therefore, has no uniquely identifiable measurement risk management technology.

Pateral (2011) argues that risk identification in a financial institution is the core task within the risk management process to describe and classify risks. By means of risk identification software tools, all the information gathered and analysed during the identification of risks serves as a foundation for further risk analysis, evaluation and estimation to manage the portfolio risk. Furthermore, Solitel (2010) argues that many risks particularly those arising from emerging technologies, are accompanied by potential benefits and opportunities where commercial banks act to identify negative and positive risks that impact their objectives with the developed statement of work, work breakdown structure, budget and timely schedules. The challenge of better risk identification lies in enabling the institution to benefit from opportunities while minimizing the negative consequences of the associated risks which are either systemic or non-systematic on project activities (Kormendi, 2009).

Joel (2012) argues that financial institutions risk facilitate risk description through identification of portfolio risks, risk estimation monitoring to cover both opportunities and threats in a structured manner which involves quantitative, semi-quantitative and qualitative approaches to cover both ‘upside’ and ‘downside’ risks profile to mitigate its occurrence and support the performance of the bank. Freklet (2011), on the other hand conjures that ineffective risk analysis without a structured risk management framework leads to incomplete impact evaluation, leading to loss of knowledge of the overall impact on the organisation objectives, like scope, time, cost, quality and lack of transparency and a communication gap within and outside the bank team.

Heveloh (2011), argued that effective risk evaluation performed through identifying and prioritizing different types of data, software applications, servers and other assets, location of assets to assess the risk, classification of assets as either public information, sensitive internal information, non-sensitive internal information, compartmentalized internal information and regulated information to foster effective risk management portfolio. In addition, Gerger (2010) argued that risk evaluation facilitates determination of risk management priorities through establishment of qualitative and/or quantitative relationships between benefits and associated risks pertaining the commercial bank portfolio transactions to actively select the type and level of risk that is appropriate for them to assume. This is because most business decisions are about sacrificing current resources for future uncertain returns (Crouhy et.al, 2006). Its main objective is to add maximum sustainable value to all activities of the company and hence add maximum wealth to its shareholders (Bhimani, 2009; COSO, 2009). Therefore the capacity to make forward looking choices about risk in relation to reward lies at the heart of the risk management of all enduringly successful corporations (Crouhy et.al, 2006).

In addition, the monitoring and control of risk is the effective implementation strategy under risk management which requires the assessment of current level of the organizations performance with the comparison to budget (Leach and Melicher, 2012). Monitoring is the systematic process of collecting, analysing and using information to track a program's progress toward reaching its objectives and to guide management decisions. Monitoring usually focuses on processes, such as when and where activities occur, who delivers them and how many people or entities they reach or benefit. Although control activities are actions established through policies and procedures that help ensure that management's directives to mitigate risks to the achievement of objectives are carried out (Tait, 2011). Commercial banks portfolio transactions need close monitoring and review to realize the set goals pertaining management of commercial bank transactions with the aid of effective monitoring measures in place. Thus, a need to evaluate whether the case study has monitoring and review measures of risks to avoid potential future harm.

Vessuri (2012) found out that monitoring and review of risks largely mitigates the negative impact of the project risks, if the board acknowledge the control and monitoring activities early. Furthermore, Treolien (2010) argues that monitoring systems are designed to assess intended as well as unintended consequences which leads to a formal policy assessment study that follows orders to explore the consequences of a given set of risk management measures on different portfolio transactions to minimize their non-performance. In addition, John (2009) argued that risk monitoring and control aids generation of feedback for the effectiveness of the options taken to reduce the risks, the monitoring phase provides new information on early warning signals for both new risks and old risks viewed for effective risk management.

Accordingly, Phelip (2010) argues that the relevance of risk monitoring and review is significantly effective in risk management. Risk levels and positions must be reviewed on time and a risk register protocol must be well documented and reports must be distributed through an effective management information system (Oleih, 2010). Risk management should be continuous and developing process which is present throughout the organization's strategy and the implementing of that strategy. It should address methodically all the risks surrounding the organization's activities for the past, the present and in particular the future, that is, in a proactive way. Risk management should foresee any possible exposure to risk. For risk management to be effective, it must be integrated into the culture of the organisation with an effective policy and a proper structure or framework. It is important to have a robust risk management structure, not simply to manage risk but to be well prepared when things happen which are totally unexpected, as will inevitably be the case (Luhmanm, 2003; Bhimani, 2009). This enterprise wide view of risk management has risen as organisations move away from the traditional silo based way of risk management where each risk was hedged or insured separately. With emphasis on financial risks such as credit, market and liquidity risks (McShane, 2011). Whereas the enterprise approaches to risk management handle risks in a coordinated way, where risks are taken together in a portfolio, and the residual risks are hedged (Geessink, 2012).

2.4 Organisation culture and risk management

Organizational culture deals with humans' behaviour in an organization and their actions. It affects how people or a group of people in an organization act with clients or stakeholders or interact with each other. Organization culture can also be defined or thought of as the attitudes, experiences, norms, beliefs and values of an organization (Johnson, 2011). The norms of an organizational culture differ in developing countries where adoption of new technology involves risks due to poor literacy rate and higher corruption within society. The banking sector in

Uganda is dominated with unique culture in terms of dressing code, working hours and the like through thematic, spatial and time domains.

Karlene and Douglas (2013) establishes significant link between artifacts, shared values and assumptions on risk management within the organisation. The organization artifacts, values and shared assumption represents a fundamental change management of risks in the bank.

2.4.1 Organisation artifacts and risk management

Brown (2013) argued that unique resource artifacts guarantee competence with an early risk warning system which has a positive statistic significant relationship with the risk management portfolio in a financial institution. The artifacts provide a foundation to identify and evaluate early safety risk warning. Furthermore, Norah (2012) argued that adequate resource utilisation as attached to organisation artifacts facilitates early warning signals of a known risk to detection and recognition of the risk which significantly strengthens the risk management process. Organisation competences facilitate early identification of emerging risks in the financial institution, thus, timely prevention of risk measures.

Further, Charleton (2010) argues that artifacts through an effective knowledge based system facilitate identification, analysis and evaluation of complex risks has a positive significant relationship for determination of scientific risk management conventions. This is meant to guide the assessment process in terms of assessment and management protocols, methods of investigation, statistical procedures and other scientific conventions used in assessing risks or selecting risk reduction financial institution portfolio options. Determination of risk scientific conventions and evaluation methods and procedures for assessing risks and concerns induces risk management to facilitate effective risk monitoring and review within the portfolio transactions of financial institutions. In addition, Tanden (2011) maintains that the capacity artifacts determine the scientific conventions to manage risk which is the prime indicator of effective risk management.

Ravasi and Schultz (2006), state that each company has their own unique culture artifacts which facilitate risk management. In financial institutions, there may be several co-existing, sometimes conflicting artifacts as a result of different characteristics of members of the management team to manage risks. Flamholtz and Randle (2011,) similarly argue that corporate artifacts can be thought of as “company’s personality” and every organisation regardless of size has a culture that influences how people behave, in a variety of areas, such as treatment of customers, standards of performance, innovation among others have a positive statistic significant influence on risk management.

Kothari (2004), asserts that organisation artifacts have a positive significant effect on effective evaluation of risk management strategies geared toward meeting its strategic, operational, reporting and compliance objectives. These evaluations will focus on the necessity of a consistent risk and control consciousness’ throughout the company, the importance of considering risk during the formulation of strategy and the interrelationship of risks across business units at every level of the organisation (COSO,2009). Similarly, the bank should have clearly stated objectives to effectively manage risks. As part of the process of determining these objectives, risks should be identified and measured in relation to the bank’s risk assessment objectives. To ensure that risk management principles are applied in all bank activities and decision making, the risk objectives must be specific and quantifiable at various levels in the bank (IFC, 2015).

Furthermore Wood (2005), states that organisation artifacts enhance the transparent linkage of the risk mitigation plan and risk register to the corporate plan objectives of risk management as a key measure of project success. According to Hampton (2006), practical artifacts in an organisation have a positive statistic significant effect on risk management based upon implementation of various artifacts. Lenckus (2005), mentions that intangible artifacts such as management support, committing ample time to the effort, planning wisely and proving the plan‘s worth determination of risk at an early stage have a positive significant prediction on enterprise risk management (ERM) at 1% level. Coccia (2005) believes that communication and promotion of behavioural artifact changes throughout an organization are the key success factors for risk management.

Having discussed the above effect of artifacts on risk management, it is hence relevant to establish whether such role can be applied to Post Bank Uganda Limited.

2.4.2 Organisation values and the risk management

Freeman (2014), asserts that assessment of micro operation values through suppliers and customers has positive significant effect on risk management. He traced this back to a memo of Stanford research institute in 1963, which states that in-depth understanding of organisational operation values supports risk management in financial institutions. Similarly, Juliano (2008) argued that scanning of the organisation values, political, social, economic and technological environment has statistic significant influence on risk management.

Alf (2018), states that organisational values are therefore used to indicate the type of conduct expected by individuals to manage risks. Risk related values include such factors as risk taking is acceptable, as is acceptance of failure within set risk tolerance; compliance with obligations is non-negotiable. He further argues that values relate to principles of behaviours and transcend specific situations giving an example of a risk value statement which could be “employees will never engage in theft fraud or embezzlement, or participate in deceptive or fraudulent activities towards the organisation, customers, suppliers or any other party with whom the organisation has business dealings”. Further, Joab (2011) acknowledged that organisation’s internal environment in terms of trust, values and shared assumptions have a positive significant influence on risk management.

Winch (2010), argues that values like customer care and team work in the banking operations facilitate monitoring and review of risks with the aid of internal and external stakeholder’s engagement. Internal stakeholders are those who have legal contractual relationship with the bank and are grouped into demand and supply sides stakeholders. External stakeholders do not have any contractual relationship with the organisation, but have some rights and interests in the operation and are grouped into private and public sides’ stakeholders with the mandate to exert significant influence on the operation of the bank.

Atkin and Skitmore (2008) argued that operation values have a positive significant relationship with risk monitoring and review of activities to induce their capacity and the action of other stakeholders either positively or negatively or the decision making process to curb down the occurrence of risk. Furthermore, Mitchell (2011) argues that effective implementation of value assessment largely facilitates effective management of risks. Commercial banks operate with values, which have feasible solutions to increase mechanism to manage risk.

This entails looking at how the organisation environment is structured and what is valued in relation to risk management (Deliotte, 2016). In analysing the organisation environment, emphasis will be placed on; (1) strategy and objectives, (2) values and ethics (3) policies, processes and procedures and (4) risk analysis systems that support risk management (Deliotte, 2016).

Risk management is continuous throughout the organization's strategy and the implementation of that strategy supported with the organisation values (Pertial, 2013). There is a proactive way of effectively managing risk to integrate with the aid of organisation culture framework. Furthermore, Charles (2011) asserts that organisation shared values have a positive significant influence on risk management in an organisation. It is important to have robust shared values to manage risk effectively as expected by organisation shareholders. There are too many risks to address in an organisation and hence risks should be prioritized (Luhumanm, 2014).

It is however necessary that during the process of setting effective risk management strategies all levels of the organisation be involved. This is because there are lateral flows of information between units as well as vertical flows of information up and down the organisation's hierarchy regarding uncertainties, changes or risk elements. Every member of the organisation should therefore have a proper attitude to risk and should be risk conscious (COSO, 2009)

It is further argued that assessing the organisation values as aspects of organisation culture influences the risk management process. To ensure control, organisations establish values and norms which act as a governor with the objective of achieving the set goals without violating values (Durland and Caplan, 2018). According to Alf (2018), the starting point in establishing and maintaining the right risk culture is to have in place an appropriate system of values, shared beliefs and individual behaviour to predict effective risk management. The foundation of the values are an acceptance that the group (organisation, department or team) is a team with shared goals and objectives; they have a mutually agreed way of doing things and regularly meet to work out how to do things better. In a similar way, Schein (2010), calls for consensual validation among group members for a total group value harmony to support effective risk management.

Sheedy and Griffin (2014), point out for instance that a leader may propose investing more resources into implementation of values to predict risk management. If this strategy is generally perceived to be successful overtime, then resourcing for risk management becomes a shared value and, ultimately a shared assumption. PWC (2016), looks at this approach as a focus on collective ambition that also entails setting the foundation for behaviors that allow for effective and consistent monitoring and managing of risks. Althonayan et.al (2012), likewise argues that when employees share the same values and display the same behaviors in managing risk, consistency in the execution of ERM and business results are ensured. This consistency minimizes the costs associated with ERM because it prevents processes form being redone and it gives stakeholders the assurance of how the organisation approaches its risk portfolio.

The IFC (2015), emphasizes the need for all bank personnel (i.e., Board members, management and employees) not to expose a bank to imprudent risk taking by working outside the bank's defined ethical principles. As well as for a bank to outline its value systems and encourage commitment by all to ensure the application of defined ethical principles in all business activities when making decisions. This may be extended to the activities of partnerships and relationships beyond bank personnel, such as, for example outsourced service providers.

The policies, processes and procedures also form part of the organisation environment and influence the risk management process. According to Brooks (2010), the strength of risk culture can be determined by the level of consistency that decisions over risk have with policies and the desired risk profile of the organisation. The IFC (2015), therefore proposes that a bank's shared values through policies, processes and procedures support sufficient management controls to promote prudent risk taking by employees within the acceptable risk appetite parameters. The policies, processes, and procedures should also support holistic risk management and highlight the roles and responsibilities of each employee in the risk management process. In addition, it emphasizes the need for a common understanding of the risk management framework across bank. Which can be attained by enacting a policy document that establishes and guides a consistent, integrated approach to identification, assessment and management of risk on an "enterprise- wide basis"

2.4.3 Shared assumptions and risk management.

McDonald (2009), assert that risk appetite articulated through shared assumptions facilitates risk management. Organisations with shared limits and monitoring procedures, involved employees facilitate proper communication and instilling risk into the organisation culture hence a positive statistic significant impact on effective risk management. Contrary Roth and Espersen (2010) argues that shared assumptions together with employee team work limit the success of risk management due distortion of the entire formal processes of risk management planning, risk identification, risk analysis, risk response planning and risk monitoring and control. The effective implementation of risk management systems is induced through shared assumptions within the team work in the financial institution.

Kutsch and Hall (2010) assert that the collaborative shared assumption to achieve a common goal or to complete a task in the most effective and efficient way has positive statistic significant relationship on risk management. Shared assumptions influence group interdependence amongst individuals to work together towards effective risk management in the financial institution. It is recommendable that the basic requirements for effective teamwork are an adequate team size (about 6-8 members), available resources for the team to make use of (i.e. meeting space and time, guidance from a supervisor, support from the organization, etc.), and clearly defined roles within the team in order for everyone to have a clear purpose (Armstrong, 2008). Mihet (2013), studied on the effects of shared assumption on firm risk taking found a positive correlation between shared assumption and corporate risk taking and internal conduct of multinational firms.

Li et.al (2013) opine that the imperative role of shared assumptions is to influence corporate risk management in the banking entity. Gutshwa (2016), assessed the maturity level of risk culture in a government institution. It was established that failure to fully embed shared assumptions on risk culture in the daily organisational activities deterred the improvement in the risk management practices and activities. Relatedly, Bostanci (2013), studied shared assumptions on risk culture in terms of maturity at various levels of management in a bank and found insignificant effect relation on the level of risk management. In addition, low scores in critical aspects such as risk perception, risk awareness, performance and leadership implied that risk culture had not developed enough thus hindering the effectiveness of the risk management process. Roslan and Dahan (2013), therefore argue that without a embedding a risk assumption culture in all organisational levels, the implementation of risk management will not be successful and hence find positive relationship between risk assumption and enterprise risk management.

Relationships in this case refer to the interactions that occur between people in the organisation. In organisations interactions occur between the different hierarchical levels and this influences the overall organisation culture and how risk is managed. It is therefore necessary for organisations to strengthen relationships. According to Deliotte (2012), this can be across the various levels notably; leaders to managers, leaders/managers to employees, peer to peer and risk function to business. The IFC (2015), states that this can be done through effective communication, constructive challenge and good leadership characterized by tone from the top.

The role of leadership in influencing shared assumptions is a core element adopted to determine how risk is managed in organisations. Waxman (2017), states that the shared assumptions from the top describes the climate and overall philosophy set by the board and executive to support risk management in the organisation. According to the IIF (2013), the shared assumptions from the top are essential in setting out the core principles or values that everyone is expected to comply with such as integrity; common purpose; ingenuity; open culture where bad news can be escalated; and responsible finance. 90% of the survey respondents in the PWC (2014) Global banking survey agree or strongly agree that the leadership promotes core shared assumptions over the growing bottom line to support risk management.

Bailey (2017), also argues fulfilling the leadership responsibilities drives the shared assumptions to staff to manage risks. This in turn makes the firm behaviour and it's outcomes a measure of the effectiveness of risk management. An International survey by KPMG (2010), articulates the same view where over 58% of surveyed corporate board members and internal auditors admitted that most personnel had no shared assumptions on how risk exposures should be assessed for likelihood and impact. This shows that the shared assumptions with leadership may not sufficiently nurture the culture of continuous enterprise risk development for the employees.

Dudley (2014), therefore underscores the need for shared assumptions amongst senior leadership to critically examine behavioural norms at their firms to manage risks. Whereas the Board of Directors sets the tone for risk management practices, senior management should support sound infrastructure and processes for risk management and should provide the appropriate tools to employees for successful risk management. It is important that business unit managers understand their responsibilities and through the examples they set, promote and influence lower level employees to embrace the right risk culture (IFC, 2015). Leadership shared assumptions is consequently widely approved mechanism to manage risk.

In addition, Deliotte report (2013) finds that the gap between the shared assumptions of a company perceived to have a good rather than a weaker leadership could be more than 35.5%. It further highlights, that shared assumptions in financial companies foster the premium for good leadership to induce effective risk management.

The communication within an organisation is also another aspect of the relationships that influences organisation culture and eventually risk management. Althonayan et.al (2012), argue that results – driven organisations view information flow and communication as key principles for creating strong organisation culture to foster shared assumptions. Enterprise wide risk communication and dialogue between management and employees can help understand key risk concentrations (in terms of risk appetite and tolerance) and strengthen the relationships between groups often working in isolation. Farrell and Hoon (2009), suggest companies should ensure that there is effective communication around shared assumptions on ethics and risk management. This is because risk culture change requires constant, consistent messages to employees that managing risk is a critical part of their daily responsibilities. The OECD (2014), also stated that well developed shared assumptions necessitates that risks are understood, managed and where appropriate communicated.

In the financial institution, four way communication up, down and sideways acts as shared assumptions to manage risks. This is important as the price of mistakes continues to rise significantly over time from the reputational damage to regulatory sanctions, external fines and litigation (Protiviti, 2014). Communication should therefore involve shared risk management assumptions at work to continually improve how the risk function and business lines work together to ensure consistent risk information is shared across the business (Farrell and Hoon, 2009). The PWC (2014), Global Banking Risk culture Survey recommends creating more integrated real time reporting between units by investing in the requisite tools. This will help risk information get to the right people when and where it's needed.

It is however important, that firms to foster an environment that rewards the free exchange of ideas and views. Individuals should feel that they can raise a concern, and have confidence that the issues will be escalated and fully considered. This is a critical element to prevention as a firm's employees are its best monitors but this only works well if they fell a shared responsibility to speak up, expect to be heard and their efforts supported by senior management (Dudley, 2014).

Overall, the collective risk management competence of the organisation fosters collective wisdom and helps people understand the risks the organisation is taking. This comes from the proactive sharing of leading practices and consulting others when in doubt (Deliotte, 2013).

2.5 Moderating variables

Hesklet (2013) conjures that a formal organisation structure facilitates risk management. Bureaucracy system of management within the organisation supports the artifacts, assumptions and shared values which leads to risk identification, analysis, evaluation, monitoring and review. This enhances risk management to support financial institution efficiency. The organisation structure acts as a catalyst to accelerate risk management through desirable organisation culture (Olhelte, 2011). Post Bank organisation structure is matrix and division based which aids in the management of risk to support efficiency.

Zebradex (2012), points out that adoption of modern technology in the organisation eases flow of artifacts, shared assumptions and values, which facilitates risk management. Technology advancement is the key to success and supports the mechanism through which contemporary organisations integrate artifacts, values and shared assumptions to manage risk. Further Moreel (2013), conjures that modern technology unites the organisation departments to function as a single unit with shared values, artifacts and assumptions to mitigate the occurrence of risk. Post Bank Uganda has adopted modern technology to match with the organisation culture to enhance risk management.

2.6 Chapter summary

The literature review indicates that organisation culture has positive role on risk management and widely accepted to induce, risk identification, analysis, evaluation, monitoring and review as well as financial institution performance and efficiency as suggested many scholars like Kutsch and Hall (2010); Armstrong, 2008; Mihet (2013) et al. There studies however did not establish how organisation culture affects risk management. Further, majority of scholars used quantitative design and there is no study of this kind so far carried out on Post Bank Uganda Limited. The study conceptualized organisation culture in terms of artifacts, values and shared assumptions required to manage risks and used a mixed design. The next chapter 3 presents the methodology for the study.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter presents the research methods and instruments used in the study. It covers the research approach and design, survey population, sampling design and size, data collection sources, method and instruments, data processing and analysis, and ethical considerations.

3.1 Research design and approach

According to Kumar (2005), a research design serves as a plan, structure or strategy of investigation, or an arrangement of conditions for collection and analysis of data. The study adopted a case study research design to investigate the effect relationship between organisation culture and risk management in Post Bank Uganda Limited. A case study design is a research strategy and an empirical inquiry that investigates a phenomenon within its real-life context (Churchill and Israel, 2010). A case study research design intends to study a single case with both quantitative and qualitative approach from the prior development of theoretical hypothesis. It aided in making prediction on effect of artifacts, values and assumptions on risk management. This case study adopted a mixed method approach with both qualitative and quantitative models of research so that evidence is mixed and knowledge is increased in a more meaningful manner than adopting a single approach alone (Creswell, 2012).

Qualitative approach enables collection of respondents' views that are explaining a phenomenon instead of numerals. It aided in the gathering of opinions from senior management at Post Bank Uganda, Head office Kampala. These were decision makers with the mandate to determine the organisation culture and the necessary risk management practices. Cressy (2002), points out that a network of local contacts and shared interests that provide qualitative data is more beneficial in facilitating opinion on risk management process

Quantitative approach aids collection of data from respondents in numbers. This was appropriate to collect data from large samples like staff at Post Bank Uganda and was the dominant approach used. This establishes the effect of organisation culture in the risk management.

3.2 Area of Study

The study was carried out at Post Bank Uganda Limited. The bank is located at Plot Nos. 4-6, Nkrumah Road, Kampala Uganda.

3.3 Study Population

Population according to Bryman and Bell (2011) is the universe of units from which a sample is selected. In other words, they are all the elements, individuals, or units that meet the selection criteria for a group to be studied, and from which representative sample was taken for detailed examination. The target population was 145 employees according to Human resource Records Post Bank Uganda Ltd 2018. This number was sufficient to generate the necessary information on the research variables. The respondents included officers, supervisors and managers from the different departments of the bank.

3.4 Sampling Procedures

The sample size and techniques is sub divided into qualitative and quantitative methods

3.4.1 Sampling techniques and sample size using qualitative method

The sampling method for this approach was judgmental. The judgement sampling is the non-random sampling technique where the choice of sample items depends exclusively on the investigator's knowledge and professional judgment (Creswell, 2004). Managers were selected for interviews because they monitor and control activities within the bank.

The sample size of a qualitative approach was generated judgmentally from the target population (Creswell, 2013) and recommends a maximum sample size of 30 respondents. However, the study selected 5 respondents who included managers from different departments for interviews and their opinions to supplement quantitative findings as the overall implementers of organisation activities.

3.4.2 Sampling technique and sample size using the quantitative method

Simple random technique was used to select respondents for the study. Simple random sampling gives each member of the population an equal chance of being chosen for the study, thus aiding selection of bank staff. The sample size was selected using Krejcie and Morgan (1970) table as cited in Amin (2005). Out of the population of 140 a sample of 111 was selected for the study as detailed in table 3.1.

Table 3.1: Sampling techniques and selection of respondents

Population Category	Target Population	Sample Size	Sampling Technique
Managers	05	05	Judgemental
Supervisors	20	19	Simple Random
Officers	120	92	Simple Random
Total	**145**	**116**	

Source: (Post Bank Uganda, HRM Achieve, 2018).

3.5 Data sources

This used both primary and secondary data sources to ensure adequate collection of relevant data on organisation culture and risk management at Post Bank Uganda.

3.5.1 Primary Data

Primary data refers to the ‘first hand’ data collected in original form by a researcher and collected for the first time (Kothari, 2004). Data was gathered through questionnaires and interview guides. Kothari (2004), recommends the use of primary data due to its reliability and validity with minimum errors since it is collected from the field for the first time. The data for this study was gathered through self-administered questionnaires to staff and interviewing of managers at Post Bank Uganda.

3.5.2 Secondary Data

Secondary data refers to data used for a project that was originally collected for some other purpose (Saunders, 2011). Books, internet search, articles, and journals among others were used as secondary sources of data for the study. These sources helped the researcher to identify how others have defined and measured key concepts and how this study is related to the work of others.

3.6 Data collection instruments

The researcher used the qualitative and quantitative data collection instruments to collect data for the study.

3.6.1 Qualitative data collection instrument

An interview guide was used in collection of qualitative data. An interview is a purposeful discussion between two or more people (Saunders, 2011). Sekaran (2003), asserts that one method of collecting data is to interview respondents so as to obtain information on the issues of interest.

The study target was five key interviewees at Post Bank Uganda who included managers since they make decisions for bank operations. Interviews were conducted because they are flexible and therefore allow a researcher to adjust and paraphrase the questions in order to obtain information on issues of interest on risk management and organisation culture. These were structured in nature with intention to allow an in-depth extraction of information/ views/ opinion about the effect of organisation culture on risk management in Post Bank. Interviews with the Managers also considered issues related to policies of the bank, risk evaluation, risk reporting and organisation values

Procedure for conducting an interview

Interviews involved discussions between the researcher and the respondents about the effect of organisation culture on risk management. The researcher was assisted by his research assistant to conduct the interviews and each interview took twenty (20) minutes and was recorded on an independent paper in English language. These interviews used questions based on pre-set and uniform questions. The study conducted a maximum of five key interviews at Post Bank Uganda and their opinion reinforced the relevance of contingency method of risk management and supplemented by the quantitative results. The responses to these questions were recorded on a standardized schedule with a pre-coded answer

3.6.2 Quantitative data collection instrument

Questionnaire

Amin (2005), defines a questionnaire as a form consisting of interrelated questions prepared by the researcher about the research problem under investigation, based on the objectives of the study. Questionnaires were set on a 5-point likert scale range from 1(strongly disagree), 2(disagree), 3(neither agree nor disagree), 4(agree), and 5(strongly agree). This was suitable scale to access knowledge/ views from the target population that is staff as supported by (Han, 2006). Here investigator followed appreciative enquiry a process that sought to engage the financial institution's stakeholders in a process of self-determined change that is very much desired. The choice of an interval scale for the measuring instrument enables the requirement for inferential statistical data analysis to be undertaken (Leedy & Ormrod, 2005). Questionnaire survey was appropriate because it facilitates collection of relevant information from the staff as they are given time to think before giving their opinion and is a less costly method (Sekaran et al, 1992).

Procedures for administering questionnaires

The questionnaires were designed in accordance to research objectives and were piloted before final printing for data collection. The researcher hired and trained a researcher assistant to help in the collection of the data together with himself from respondents. The entire process depended on the respondents' consent and agreement.

Random sampling was used in collecting data in Post Bank Uganda Limited with a total sample size of 111 respondents who included supervisors and officers. Therefore the data points used for correlation and regression are 111 data points.

The questionnaire had 49 statements. Phrasing was as neutral as possible and all moral connotations were avoided. The aim of the questionnaire was to cover all the areas presented in the conceptual framework and that the collected data would be used in the correlation and regression analysis.

The respondents assessed how the statements reflected the organisation culture, risk management and organisation structure of the bank.

3. 7 Quality Control Methods

3.7.1 Validity

Qualitative validity

Internal validity was conducted on the interview guide. For validity, the researcher ensured that data collected is adequate with credible evidence and guarantees a transparent data collection process (Patril, 2011). Furthermore, the data collected was matched with theoretical ideas for credible findings as supported by (Bryman & Bell, 2011). In this case the theoretical idea is about relevance of the contingency theory in risk management.

External validity was conducted. The researcher de-briefed the research assistant on the interview guide to provide an external check on the consistency in the data as supported by Creswell (2013). At this phase, the researcher focuses on transferability of the data (Bryman & Bell, 2011). The researcher briefed and shared views with research experts in management about the interview questions. The researcher sought their clarity and input in the interview questions until when they felt satisfied with the questions on their level to address the study objectives. This ensured trustworthiness and credibility of the data collected as suggested (James and Busher, 2006). Furthermore, consent from respondents' guaranteed external validity.

Quantitative validity

According to Katebire (2007), validity refers to the extent to which the data collection instrument collects data that has the characteristics or attributes the researcher wants to measure. Odiya (2009), defined validity of an instrument as the ability of the instrument to collect justifiable and truthful data; that is, measuring what it is developed to measure (Odiya, 2009). Validity is the extent to which the instrument measures what it is intended to measure (Leedy and Ormrod, 2010). Validity of an instrument is commonly measured in four forms namely; construct validity, content validity, face validity, criterion validity. The convergent validity which measures the extent to which measurement scales converge was estimated by Average Variant Extracted (AVE) given by the formula; (Farrell & Rudd, 2009). My supervisors and other experts in the field were consulted about the content of the instruments, relevancy of questionnaire items and their validity. Therefore, for the case of this study, the instrument(s) were given to my supervisors who rated the relevancy of each item.

Content validity was established to assess the extent to which a sample of items taken together, comprise an adequate operational description of a construct (Polit & Beck, 2006).

Validity of the questionnaire was tested using the content validity test (CVI).

$CVI = \frac{R}{R+N+IRR}$ Where; Relevant (R), Neutral (N), Irrelevant (IRR).

$CVI = \frac{49}{49+0+02}$

CVI = 0.961X100

CVI = 96.1%

The content validity index of 0.96 or 96% was achieved which guaranteed the validity of questionnaire. The content validity which is above the acceptable average of 0.5 is recommendable since it's within the confidence significance level of 95%. Questions declared invalid were not included in the final instrument; this implies that questions in the instrument are valid and generated valid information for the study. This is further supported by Odiya (2009) who recommended that a content validity closure to 1 guarantees validity of the instrument.

3.7.2 Reliability

Reliability deals with the accuracy of the instrument and the consistency of data collection by it (Katebire, 2007). Amin (2005), defined reliability as the consistency of the instrument in measuring whatever it is intended to measure. Reliability is one of the most important issues of measuring quality and it should be well thought through before a measure is proposed and used, and before data is gathered and results analysed. Reliability refers to a measure which is reliable to the extent that independent, but comparable measures of the same trait or constraint of a given object agree. The questionnaire was pre-tested in another bank dealing in similar activities like Post Bank Uganda.

Qualitative reliability

Internal reliability was assessed on interview guides and the researcher and research assistant agreed in advance about what is to be interviewed and observed (Bryman and Bell, 2011). Under this method, reliability was done by cross checking all data collected for possible simple mistakes before exiting from the field. Furthermore, Barret and Spiers (2002) opine that the researcher ensures consistency of the research questions and the method to be used to answer the questions through consent from the interviewees. In addition, adequacy of the sample size is relevant (Colline, 2011) and this study intends to use five interviews. This verification strategy indicates reliability and validity for qualitative data.

External reliability. Bryman and Bell (2011), defined external reliability as the extent to which the study can be replicated. The researcher ensured the extent of reliability by following the steps of earlier researchers who adopted a qualitative approach in social science behavioural. Researchers like Hetler (2012) who used the coding system to develop categories and themes in the study titled 'role of organisation culture on risk management'. This study employed coding and theme development in qualitative analysis.

Quantitative reliability

The reliability of the questionnaire was assessed using Cronbach's Alpha at 0.05 level of significance. According to Odiya (2009: 197), Cronbach's alpha is used if the instrument has more than two responses provided for each item. To measure the internal consistency of the research instrument, in this case a questionnaire, the researcher will apply Cronbach's alpha. This is asserted by Javali (2011), who confirms that the preferred statistical index to measure reliability of the instrument for collecting primary data is Cronbach's alpha which is analysed using sensitivity analysis in SPSS version 20 and results are above the acceptable average of 0.5 and exceed the reliability coefficient of 0.70 which is supported by Creswell (2003). It has been used by many researchers all over the world for instance Kakeeto et al. (2014) in Uganda. Therefore, it is relevant to employ it in this study. Cronbach's alpha coefficient was used to test for internal consistency of the research variables to test for the reliability of the questionnaire. The results obtained compared to the threshold of 0.60 recommended for social science, business and management research by Odiya (2009).

Table 3.2: Results for Cronbach's Coefficients alpha

Variables	Reliability coefficient value
Artifacts	0.875
Values	0.874
Shared assumptions	0.768
Risk management	0.845
Organisation structure	0.783

Source: Primary data, (2018)

Based on reliability statistics, the average Cronbach's Coefficients alpha of 0.7 was obtained based on standardized items. This implies that the variables under study were reliable since the coefficient values were above 0.5. Thus, guaranteed reliability of data collected for the study.

3.8 Data Management and Processing

3.8.1 Quantitative analysis

Quantitative data was coded and entered in SPSS version 20.0 to generate the mean, standard deviation, correlation, and regression. Quantitative analysis involves the use of tables or diagrams that show the frequency or occurrence of descriptive statistics and inferential statistics will establish statistical relationships between variables (Saunders, 2011). Data for the various research questions was analysed descriptively with percentages to show the distribution of opinions and perceptions of respondents. The statistical summaries of the results are presented in the form of percentage and tables.

A multiple regression model was developed to establish the effect relationship between variables. Thus, exploring the interrelationship amongst the study variables: artifacts, values and shared assumptions as independent variables; moderating variables include organisation structure and technology; dependent variables include risk identification, analysis, evaluation, monitoring and review. The regression equation used for this study is:

Risk management = f (A, artifacts; V, values; AS, assumptions)

RM =β_0+β_1A +β_2V + β_3AS + β_4OS&T + ε……………………………..…………………..(i)

β_0= Constant parameter

β_1, β_2, β_3, β_4 = Coefficient of the independent variables/Regression parameters.

ε= Probabilistic error term.

3.8.2 Qualitative analysis

Qualitative data was presented and analysed using the codes, categories and themes developed in explanatory collected through interviewees. It was further handled using content analysis that is NVIVO software in accordance with Hsieh and Shannon (2005) who defined qualitative content analysis as a research method for the subjective interpretation of the content of text data through the systematic classification process of coding and identifying themes or patterns. The goal of content analysis was to provide knowledge and understanding of the phenomenon under study.

3.9 Ethical considerations

After the proposal defence, the researcher got an ethics certificate and an introduction letter from the faculty allowing him to proceed to collect data and prepare the report thereafter. The researcher presented this letter to the management of Post Bank Uganda where the study was conducted after the permission. The researcher followed standard ethical considerations like consent from respondents, plagiarism-not producing people's work, privacy-not using names of the respondents and confidentiality, anonymity and researchers' responsibility amongst others.

3.10 Limitations of the study

The major hurdles encountered during the study were, the very long-time taken by the respondents to fill the questionnaires distributed due of their busy work schedule. In addition, to this, some employees contacted for access and data collection showed less interest of giving out data as they considered some information confidential. However, the researcher assured the respondents that any information given is treated with maximum confidentiality.

The researcher experienced a problem of limited finances with respect to this study. As the costs incurred on items like transport, printing and photocopying of relevant materials would exceed what was actually budgeted for due to inflation. The researcher was however able to source for extra funds from the academic research sponsors to meet the cash shortfalls.

3.11 Conclusion on methodology

This chapter presents the method and procedures used by the researcher to conduct the study in order to answer the specific research objectives raised in chapter 1. The next chapter presents the results and findings of the study.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter presents findings of the study on the effect of on organisational culture on risk management in Postbank Uganda Ltd, which included descriptive statistics, correlation analysis and regression analysis. The findings established the casual relationship and effect coefficient between variables under the study and whether results fitted the research hypothesis. The focus of the study was to establish the effect of between artifacts, values and shared assumptions on risk management in the banking institution.

4.1 Response rate

The response rate of 87.9% was obtained. The response rate achieved was sufficient for the study as supported by Guttmacher Institute (2006) who assert that for a study to be considered satisfactory results should have a response rate above 60% in the overall study to guarantee reliability of the data.

Table 4.1: Response rate

Approaches	Sample size	Response	Rate (%)
Qualitative	5	4	80%
Quantitative	111	98	88.30%
Total	116	102	87.90%

Source: Primary data (2019)

4.2 Characteristics of the respondents

The characteristics of respondents covered by the study were age group, gender, duration of service at Post Bank Uganda and education level.

Table 4.2: Gender of respondents

Gender	Frequency	Percentage
Male	45	44.1
Female	57	55.9
Total	102	100.0

Source: Primary data (2019)

Table 4.2 shows that, 55.9% of the respondents were female while 44.1% were male. This implies that, the bank employs more female than male but there was slightly an even participation of gender in the study which is probably due to gender distribution in bank. This therefore enriched the research study with reliable views from the staff of Post Bank Uganda.

Table 4.3: Age of the respondents

Age bracket	Frequency	Percentage
21 years < 30years	51	50.0
31years < 40 years	30	29.4
41 years < 50 years	18	17.7
51 years < 60 years	03	02.9
Total	102	100.0

Source: Primary data (2019)

Table 4.3 revealed that majority of the bank staff at 50.0 % were between 21 years to 30 years, followed by those between 31 years to 40 years at 29.4%, 41 years to 50 years at 17.7% and the least were 51 years to 60 years at 2.9% who are almost close to retirement. Majority of respondents were youth who are energetic to explore their capabilities. This implies that the youth staff in the bank were flexible and vigorous to participate in the study than their counter part, thus guaranteed reliability and validity of the data.

Table 4.4: Duration of service at Post Bank Uganda and Education level

			Education level			Total
			Diploma	Degree	Post graduate	
Duration of Services at Post Bank Uganda	Less than a year	Count	1	30	1	32
		% within Duration of Services	3.1%	93.8%	3.1%	100.0 %
	Between 1 year and 5 years	Count	4	47	3	54
		% within Duration of Services	7.4%	87.0%	5.6%	100.0 %
	5 years and above	Count	2	6	8	16
		% within Duration of Services	12.5%	37.5%	50.0%	100.0 %
Total		Count	7	83	12	102
		% within Duration of Services	6.8%	81.4%	11.8%	100.0 %

Source: Primary data (2019)

Table 4.4 reveals that staff with less than one year of service were graduates with a degree at 93.8%, those served between 1 year and 5 years were also graduates at 87%, while those above 5 years of service were post graduate. Majority of the staff at the Post Bank were graduates at 93.2% and 68.6% have worked above a year. This implies that respondents were knowledgeable with experience to participate in the study, thus guaranteed reliability and validity of the data.

4.3 Descriptive statistics on organisation culture, organisation structure and risk management

The underlying attributes of organisation culture include artifacts, shared assumptions, values and ways of interacting that contribute to the unique social and psychological environment of an organization to manage risks.

4.3.1 Attributes of artifacts in the banking institution

Organisation cultural artifacts are items that shed light on the way a bank staff live, think or otherwise express themselves. Post Bank Uganda has various human-made or human-designed objects to appraise its staff in the management of risk to achieve organisation set targets. The measure of bank artifacts is set out below.

Table 4.5: Attributes of artifacts in the banking institution

Artifacts	N	Min	Max	Mean	Std. Dev
The bank creates innovative solutions to manage risks	93	1.00	5.00	4.66	.47
The bank captures customers' information.	93	1.00	5.00	4.79	.41
The analytics procedures uncover trends in the bank.	93	1.00	5.00	4.17	.45
The bank provides personalized advice on identified risks.	93	1.00	5.00	4.29	.45
It is easy to detect trigger events in the risk management cycle.	93	1.00	5.00	3.46	1.08
The bank has clear policies of managing risks.	93	1.00	5.00	4.65	.47
The organisation core values on risk management are clearly understood.	93	1.00	5.00	3.87	.14
It is easy to establish proficiency standards required to manage risks	93	1.00	5.00	3.33	.90
The bank has developed initiatives / training programs to manage risks.	93	1.00	5.00	4.46	.50
Valid N (listwise)	93				

Source: Primary data (2019).

Table 4.5 revealed that the level of artifacts used at Post Bank Uganda whereby creation of innovative solutions to manage risks had a mean of 4.6667 and insignificant standard deviation of 0.47396. Majority of the respondents strongly agreed which implies that the bank has innovative solutions of managing risks. The innovative solutions are generated instantly based on the nature of the situation through the collective participation of staff with the aid experts and information technology. This agreed with Leonard (2009) who contends that commercial bank process/ artifacts in liaison with the well- developed facilities in terms of information technology, buildings, human resource, organisation structure and the like facilities creation of innovative solution to manage risk.

Findings whether the bank captures customers' information as an artifact indicates a mean of 4.7957 and lowest standard deviation of 0.40538. Majority of the respondents strongly agreed. This implies that Post Bank Uganda captures the customers information which includes name, gender, nature of business, previous outstanding debts, account status, nationality, age, marital status, NIN number (national identity card number) and the like to assess the credit/ deposit risk amongst others on the customers. Post bank protects its customer information through customer entry data software, pass warding of customer data and the like as prescribed in the information privacy act. Customers' information is valuable because it can affect behaviour, a decision, or an outcome of risk management. The bank has customer relationship officers who maintain and create relationships with customers through data capturing and upgrading. This agreed with Prahalad and Hamel (2010) who argue that capturing customers' information keeps the bank up to date about the status of their customers to manage risk arising out of services offered and credit risks.

Findings whether implemented analytics procedures uncover trends in the bank indicates a mean of 4.1720 and lowest standard deviation of 0.45739. Majority of the respondents agreed, which implies that the bank analytical procedures uncover the trends in the bank which aids in the identification of potential risk areas that need to be addressed. In other words, these actions are taken by internal auditors to understand the finances and operating environment to manage the risk. The analytical procedures include comparison of financial information (data in financial statements) with prior periods, budgets, forecasts with other banks to mitigate the predictable risks associated with gross profit to sales, payroll costs to employees, financial information and non-financial information and the like. This agreed with Rehonal (2013) who asserts that adoption of appropriate analytical procedures to assess risk within financial statements and expected relationships with non-financial data supports risk management.

Findings whether the bank provides personalized advice on identified risks indicates a mean of 4.2903 and minimum standard deviation of 0.45637. Majority of the respondents strongly agreed, which implies that Post Bank Uganda provides personal advice mechanisms to its staff concerning the identified risks which influences management of risk. Provision of personal advice on identified risk accelerates management of the risks and motivates the staff which supports organisation efficiency. This helps in effective and efficient management of the risk in the bank since the identifiers of risks are engaged in solving them, thus eliminate/ minimize its occurrence. This agreed with Chatter (2014), who argues that provision of personal advice on identified risk facilitates mitigation of compliance risk, reporting risk and operation risks which supports organisation performance. The risk identification process employs tools and processes to ensure that the full spectrum of potential operational risks is captured including the use of key risk indicators, risk and compliance registers, risk maps and other tools.

Findings whether it is easy to detect trigger events in the risk management cycle in the bank indicates a mean of 3.4624 and significant standard deviation of 1.08907. Majority of the respondents were non-committal, although a significant number did not support. This probably due to lack of transparency in the bank that leads to unawareness/ non-committal responses of participants on detection mechanism of trigger events within risk management cycle. In fact, trigger events allow internal periodic risk reporting which provides monthly, quarterly, or yearly basis reports to foster precise cost-benefit calculations of risk disclosure in the bank.

Findings whether the bank has clear policies of managing risks indicates a mean of 4.6559 and minimum standard deviation of 0.47764. Majority of the respondents strongly agreed. This implies that the bank has strong internal operational risk culture like corporate values, attitudes, competencies and behaviors that determine a firm's commitment and internal control culture, emphasizing on dual controls, effective monitoring and internal reporting, contingency and business continuity plans and high standards of ethics and integrity to manage risk. The policies should be consistently implemented throughout the Bank, and all levels of staff shall understand their responsibilities with respect to risk management. This agreed with Repario (2006) who affirms that provision of clear risk management policies in the bank mitigates occurrence material misstatement with the financial statements whether due to fraud or error to foster fair presentation of financial statements.

Findings whether the organisation core values on risk management are clearly understood indicates a mean of 3.8720 and minimum standard deviation of 0.14800. Majority of the respondents agreed. This implies that staff at the bank understand the core values to manage the risks. The bank adhered to core values include integrity and ethics, respect, innovation and drive towards exploring creative risk prevention and detection. Therefore, bank core values are well presented and clearly understood by all staff to support risk management. This agreed with Johnson and Scholes (2012) who argues that organizational core values, competencies, the unique resources of an organization, affect many products and services and provide a competitive advantage in risk management in the workplace.

Findings whether it is easy to establish proficiency standards required to manage risks indicates a mean of 3.3344 and minimum standard deviation of 0.90632. Majority of the respondents were non-committal. This probably implies that the bank systems are dysfunction which leads to non-committal participants on the proficiency standards required to manage risks.

Findings whether the bank has developed initiatives / training programs to manage risks indicates a mean of 4.4624 and minimum standard deviation of 0.50128. Majority of the respondents agreed. This implies that the bank has developed initiatives and training risk management programs to staff, which accelerate the level of managing risk since members are up dated regularly on likely risk prevention and detection process. This agreed with Pritchard (2012) who argues that training work programs on risk prevention and detection with the aid of internal audit risk assessment and audit plans support risk management process in the bank.

4.2.2 Attributes of values in the banking institution

Banking institutional universal core values include integrity, teamwork, excellence, commitment, honesty, respect, service, professionalism, trust, loyalty and innovation which reinforce risk management practices. These were assessed on Post Bank Uganda as set out below.

Table 4.6: Attributes of values in the banking institution

Attributes of values	N	Min	Max	Mean	Std. Dev
There is high level of integrity in this bank.	93	4.00	5.00	4.13	.34
The bank emphasizes employee team work to support efficiency.	93	4.00	5.00	4.74	.44
The employees are committed to work towards achievement of bank set targets.	93	4.00	5.00	4.93	.25
The bank emphasizes respect amongst all staff.	93	4.00	5.00	4.84	.35
The bank encourages excellent performance of tasks.	93	4.00	5.00	4.89	.31
There is professionalism amongst staff.	93	4.00	5.00	4.22	.42
The bank staff are innovative towards risk management.	93	4.00	5.00	4.03	.17
The bank prioritizes customer in the operations.	93	5.00	5.00	5.00	.00
Valid N (listwise)	0				

Source: Primary data (2019)

Table 4.6 revealed that the attributes of values at Post Bank Uganda whereby high level of integrity indicates a mean of 4.1290 and insignificant standard deviation of 0.33705. Majority of the respondents agreed which implies that employees at the bank portray a high degree of integrity in operations to manage risks. Employees at the bank are honest and have strong moral principles, or moral uprightness to manage risk. This agreed with Ngwenyama (2011), who asserts that implementation of personal choice to hold one's self to consistent standards through integrity, honesty and truthfulness or accuracy of one's actions supports risk management practices.

Findings whether the bank emphasizes employee team work to support efficiency indicates a mean of 4.7419 and minimum standard deviation of 0.43994. Majority of the respondents strongly agreed. This implies that the bank encourages team work amongst employees to manage risks. Teamwork is working respectfully and effectively with a group and doing individual shares which reinforce management of risk. Teamwork encourages cooperation, communication, self-control, humility to support constructive feedback on risk management. This agreed with Verma and Charu (2009), who argue that interaction of team members on management of risk tasks supports the organisation performance. Teamwork in business involves a group of individuals working together to complete a task or a large goal.

Findings whether employees are committed to work towards achievement of bank set targets indicates a mean of 4.9355 and minimum standard deviation of 0.24700. Majority of the respondents strongly agreed, which implies that the bank employees are committed to work towards management of risks. The level to which an employee engages in his or her work (job involvement), commits to and believes in the organization's goals and purpose (organizational commitment), desires to work (work ethic), and commits to a specific career or profession have an impact on risk management in an organization. This agreed with Swan and Brian (2011), who posit that the level of commitment relates to several aspects such as satisfaction, turnover, cognitive resonance between different hierarchical levels and performance on the job fostering management of risk.

Findings whether the bank emphasizes respect amongst all staff indicates a mean of 4.8495 and minimum standard deviation of 0.35954. Majority of the respondents strongly agreed. This implies that Post Bank Uganda emphasizes respect amongst all staff which fosters employee self-discipline and productivity to support risk management practices. Risks are uncertainties which occur which require collective effort driven with respect amongst staff. This concurs with Sloane (2010), who asserts that respect amongst employees' fosters teamwork to support risk management practices in an organisation.

Findings whether the bank encourages excellent performance of tasks indicates a mean of 4.8925 and minimum standard deviation of 0.31146. Majority of the respondents strongly agreed, which implies that excellent performance of tasks encouraged by the bank provides effective and efficient risk management practices. Employees demonstrate knowledge, understanding and proficiency to portray excellent performance as required in risk management practices within an organisation. The findings are supported with those of Hafeez (2013), who argues that empowerment through knowledge based management system facilitates excellent performance to manage risk in the commercial banks.

Findings whether the bank encourages professionalism amongst staff indicates a mean of 4.2258 and minimum standard deviation of 0.42038. Majority of the respondents agreed. This implies that the bank employees conduct themselves professionally when performing their tasks to support risk management practices. Professionalism is the yardstick required to perform risk management excellently using specialized knowledge, competency, honesty and integrity. This agreed with Poppendieck (2013), who argues that acting professional at work place fosters transparency and hard work to support risk management practices in an organisation.

Findings whether the bank staff are innovative towards risk management indicates a mean of 4.0323 and minimum standard deviation of 0.17764. Majority of the respondents agreed. This implies that the bank staff are innovative to manage risks which supports the organisation efficiency. Innovation enables bank staff to detect and prevent risks within the entity to foster efficiency. This agreed with Ojelanki (2012), who argues that adoption of innovative ideas is critical towards risk management in the commercial bank.

Findings whether the bank prioritizes customers in the operations indicates a mean of 5.0000 and zero deviation of 0.0000. All respondents strongly agreed, which implies that Post Bank Uganda Limited prioritizes customers in operations since it's a profit making entity. Customer satisfaction guarantees business going concern and acts as a prime performance measure of balance score card. Customer satisfaction quantifies the degree to which a customer is happy with bank products, service, or experience. It measures the way customers are highly unsatisfied or highly satisfied. This supported with Murphy (2012), who argues that customer satisfaction measures bank efficiency which indicates minimal risk occurrence.

4.2.3 Attributes of shared assumptions in the banking institution

Post Bank Uganda operates on its unique shared set of assumptions about the correct way to talk, act, feel, perceive, and think in certain situations. These shared assumptions evolve over time based on observation of staff within the workplace. The attributes of shared assumption were assessed below.

Table 4.7: Attributes of shared assumptions in the banking institution

Attributes of shared assumptions	N	Min	Max	Mean	Std. Dev
There is collective decision making towards risk management.	93	2.00	5.00	4.15	.57
There is equal treatment amongst all staff at the bank.	93	4.00	5.00	4.59	.49
The bank emphasizes performance orientation to achieve a common goal.	93	4.00	5.00	4.83	.36
Employees are assertive about their rights and demonstrate strong interpersonal competence.	93	4.00	5.00	4.36	.48
Employees protect one's reputation and creditworthiness to achieve desired future set targets.	93	4.00	5.00	4.35	.48
Employees have self-critic and self-improving orientation.	91	4.00	5.00	4.33	.47
Valid N (listwise)	0				

Source: Primary data (2019)

Table 4.7 revealed that the attributes of shared assumptions in the banking institution whereby collective decision making towards risk management indicates a mean of 4.1505 and insignificant standard deviation of .57002. Majority of the respondents agreed. This implies that Post Bank Uganda emphasizes collective decision making from all staff to manage risks. Management of risks requires full participation of staff due to their adverse effect of organisation performance. This agreed with Okirio (2009), who asserts that full participation of staff fosters effective and efficient management of risk. This is induced by traditional managers who give explicit instructions to employees, while progressive managers empower employees to make many of their own decisions through shared assumptions to work in teams.

Findings whether the bank provides equal treatment amongst all staff indicates a mean 4.5914 and insignificant standard deviation 0.49424. Majority of the respondents strongly agreed, which implies that there is equal treatment amongst staff at Post bank Uganda. Equal treatment of staff fosters teamwork as well as bridging the gap between staff and administration to support risk management practices. This agreed with Messmer (2011), who asserts that equal treatment of staff in financial institutions supports communication of identified risks to support organisation efficiency.

Findings whether the bank emphasizes performance orientation to achieve a common goal indicates a mean 4.8387 and insignificant standard deviation 0.36979. Majority of the respondents strongly agreed. This implies that Post bank Uganda emphasizes performance orientation to manage risk. Performance orientation induces employee innovation, high standards, and excellent performance to support effective and efficient risk management. Banks with high performance orientation value competitiveness and invest a lot in training of staff towards performance improvements to achieve set goals.

Findings whether the employees are assertive about their rights to demonstrate strong interpersonal competence indicates a mean 4.3656 and insignificant standard deviation 0.48421. Majority of the respondents agreed. This implies that the bank provides avenues for employees to become assertive about their rights to demonstrate strong interpersonal competence towards risk management. Employees' assertiveness about their rights indicates transparency within the entity to foster risk management practices. Wood-Harper (2011), argues that provision of a conducive environment to ease self-assertiveness and potential of the staff fosters risk management practices and organisation efficiency.

Findings whether bank employees protect one's reputation and creditworthiness to achieve desired future set targets indicates a mean 4.3548 and insignificant standard deviation 0.48106. Majority of the respondents agreed. This implies that employees at Post Bank Uganda protect one's reputation and credit worthiness to manage risks and foster organisation performance. This reinforces the corporate image of the bank to remain competitive in the market to achieve set desired target.

Findings whether the bank employees have self-critic and self-improving orientation scheme to manage risk indicates a mean 4.3297 and insignificant standard deviation 0.47270. Majority of the respondents agreed. This implies that employees at the bank make self-critics and self-improving orientation schemes to support detection and prevention of risk within the organisation. This agreed with Helto (2011), who asserts that self-discovery and critic among staff supports innovation to accelerate risk management practices at the bank.

4.2.4 Attributes of risk management in the banking institution

Risk management refers to the practice of identifying potential risks in advance, analysing them and taking precautionary steps to reduce/curb the risk. Its quantum in the study depends on risk identification, risk analysis, risk evaluation, monitoring and review.

Table 4.8: Measures of risk identification

Risk Identification.	N	Min	Max	Mean	Std. Dev
It is easy to identify and frame the credit risk problem in the bank.	93	1.00	5.00	3.18	.42
I can forecast the credit default rate at early stage.	93	4.00	5.00	4.24	.42
I can identify the risk pertaining bank transactions.	93	3.00	5.00	4.34	.54
I can determine the risks in the organisation operation.	93	4.00	5.00	4.47	.50
I can use scientific conventions to assess the risk at early stage in the bank.	93	1.00	5.00	3.34	.89
Valid N (listwise)	93				

Source: Primary data (2019)

Table 4.8 revealed that the attributes of risk identification in the banking institution whereby identification and framing of the credit risk problem in the bank indicates a mean of 3.1828 and insignificant standard deviation of 0.42147. Majority of the respondents were non-committal. This implies that Post bank Uganda is not clear about the framing mechanism of credit risk problems.

Risk identification is foundational to risk management in financial institutions. Transparency into the nature of risk identification and framing mechanism drives downstream applications to measurement, control and mitigation of the credit risk problem. This does not concur or deviate with literature review.

Findings whether the bank can forecast the credit default rate at early stage indicates a mean 4.2366 and insignificant standard deviation 0.42727. Majority of the respondents agreed. This implies that Post Bank Uganda forecasts its credit risk default rate in advance to support effective risk management. This agreed with Douglas and Wildavsky (2010), who assert that forecasting the credit default risk rate at early stage fosters organisation performance since uncertain eventualities are mitigated in advance. Risks are perceived differently by people subject to structures of social organisation, psychological and cultural factors.

Findings whether the bank can identify the risk pertaining bank transactions indicates a mean 4.3441 and insignificant standard deviation 0.54163. Majority of the respondents agreed. This implies that Post Bank Uganda identifies risks pertaining bank transactions to enhance effective risk management. Identification of risks within bank transactions facilitates successful bank risk management at all levels. This involves increasing the visibility of risk management functions at all levels and inviting risk managers to top strategy meetings. However, organizations with poor risk management systems, view risk management as an unnecessary adjunct and often don’t integrate the same with the core project processes. This agreed with Santomero (2009), who argues that identification of the risk pertaining bank transactions supports risk management to influence organisation efficiency.

Findings whether the bank determines the risks in the organisation’s operation indicates a mean 4.4731 and insignificant standard deviation 0.50198. Majority of the respondents strongly agreed. This implies that Post Bank Uganda has a comprehensive mechanism of determining risks in the organisation’s operations through judging the tolerability and acceptability of serious risk reduction measures to ensure effective and efficient risk management. This agreed with Arlt et.al (2009), who asserts that determination of hazard of negative deviation from an organisation operation expected outcome fosters comprehensive risk management.

Findings whether the bank uses a scientific conventions to assess the risk at an early stage in the bank indicates a mean 3.3425 and insignificant standard deviation 0.89404. Majority of the respondents were non-committal. This implies that Post Bank Uganda is deemed not to have incorporated clear scientific conventions known by staff to assess the risks at early stages. Scientific conventions facilitate the determination of the assumptions and parameters of scientific modelling to evaluate methods and procedures for assessing risks and concerns regarding risk management.

> Interviewees asserted *that measures are in place at all levels to scientifically identify risk at early stage and through the operations. In addition, in many respects the scientific aspects of risk identification are embedded within the social policy judgments which are designed to manage risks. Thus, risk identification is a foundation of management of risk in the bank. This in turn supports the approach to risk management in the banking industry.*

Table 4.9: Measures of risk analysis

Risk analysis	N	Min	Max	Mean	Std. Dev
I can determine the magnitude of risk consequences.	93	2.00	5.00	4.26	.63
I can communicate the identified risks at the bank.	93	2.00	5.00	4.58	.66
I can forecast on the likely risk injury and damages in an organisation.	93	2.00	5.00	4.35	.65
I can describe the identified risk.	93	4.00	5.00	4.43	.50
I can provide the data pertaining separation of risk at the bank.	93	4.00	5.00	4.35	.48
Valid N (listwise)	93				

Source: Primary data (2019)

Table 4.9 revealed that the attributes of risk analysis in the banking institution. Risk analysis undergone through hazard identification, risk assessment, risk management and risk communication to interested parties serves to separate the minor acceptable risks from the major risks, and to provide data to assist in the evaluation and treatment of risks at the bank.

Findings whether the bank can determine the magnitude of risk consequences indicates a mean of 4.2688 and minimum standard deviation of 0.62797. Majority of the respondents agreed, which infers that the bank has capacity to determine risk consequences to pave way for implementation of appropriate action to accelerate risk management. Once the risks consequences are determined, then they can be analysed to evaluate the potential effects of actual risk and looking at ways to prevent such a risk from occurring. Software exists to create and determine risk consequences within risk register at bank. This concurs with Adair and Hutchison (2005), who argue that risk analysis allows investigation of financial, social or political risks which pose risk consequences in an organisation. Social, financial or political implication of risk consequences provides spectrum which ranges from certainty, characterized by full knowledge, to total uncertainty with a lack of knowledge.

Findings whether the bank communicates the identified risks to interest parties indicates a mean 4.5806 and insignificant standard deviation 0.66468. Majority of the respondents strongly agreed. This implies that Post Bank Uganda communicates the identified risk to support implementation of appropriate action. Risk Communication facilitates transfer of information and opinions regarding hazards and risks that are gathered from potentially affected and interested parties during a risk analysis, and by which the results of the risk assessment and proposed risk management measures are communicated to the decision makers to manage risks. This agreed with Hubbard (2009), who argues that communication of risk eases the evaluation of probability and magnitude of a loss, disaster or any other undesirable event to support risk management.

Findings whether the bank can forecast on the likely risk injury and damages in an organisation indicates a mean 4.3533 and insignificant standard deviation 0.64830. Majority of the respondents agreed. This implies that Post Bank Uganda forecasts the likely risk injury and damages to influence risk management. Forecasting likely risk injury and damages supports risk planning to identify the appropriate actions in advance to foster effective risk management. This agreed with IRM (2002), who affirm that perspective forecast on likely risk injury and damages prevents occurrence of potential risks.

Findings whether the bank can describe the identified risk to interest parties to appropriate action indicates a mean 4.4324 and insignificant standard deviation 0.50128. Majority of the respondents agreed. This implies that Post Bank Uganda has a clear link from top-down and bottom-up starting with risk identification to stress testing and broader risk management activities. Risk identification facilitates taking stock of an organization's risks and vulnerabilities and raising awareness of these risks in the organization. It is the starting point for understanding and managing risks – activities central to effective management of financial institutions. However, many risk identification processes have not fully served institutions' risk management needs, particularly those related to firm-specific stress testing and identification of the bank's largest vulnerabilities.

Findings whether the bank can provide the data pertaining separation of risk indicates a mean 4.3548 and insignificant standard deviation 0.48106. Majority of the respondents agreed. This implies that Post Bank Uganda provides data pertaining separation of risk to support identification appropriate actions in management risk. Seeking and incorporating relevant risk data from different operation units assists in the evaluation and treatment of risks to support risk management at the bank. This agreed with Helocal (2012), who argues that provision of instant data pertaining risks from all bank operations fosters effective risk management with positive or negative impact on organisation activity.

Table 4.10: Measures of risk Evaluation

Risk Evaluation	N	Min	Max	Mean	Std. Dev
I can easily evaluate the socio-economic risk in the bank operations.	93	2.00	5.00	4.08	.52
I can have social concern on assessment of risk in the banking.	93	4.00	5.00	4.68	.46
I can perceive the risks at early stage at the bank.	93	2.00	5.00	4.32	.73
I can make vulnerable assessment of risks in the financial transactions in the bank.	93	2.00	5.00	3.98	.75
I can estimate the risks in loan performance.	93	4.00	5.00	4.30	.46
Valid N (listwise)	93				

Source: Primary data (2019)

Table 4.10 revealed that the attributes of risk evaluation in the banking institution whereby evaluation of the socio-economic risk in the bank operations indicates a mean of 4.0860 and insignificant standard deviation of 0.52453. Majority of the respondents agreed, which implies that Post bank Uganda evaluates the socio-economic risk in the bank operations as required in risk management. Evaluation of socio-economic risk requires a broad understanding of the relevant losses, harms, or consequences to the interested and affected parties to address risk outcomes to influence risk management. Risk evaluation through socio-economic risks assesses broader value-based issues that also influence the judgement.

Findings whether there is social concern on assessment of risk in the bank indicates a mean 4.6882 and insignificant standard deviation 0.46575. Majority of the respondents strongly agreed. This implies that Post Bank Uganda has social concern on assessment of risk to mitigate the likely loss. The criteria for measuring social concern establishes procedures for screening hazards and risks and determining assessment and management route to support effective risk management. This agreed with Siang and Ali (2012), who assert that risk social concern investigates and calculates the social and economic implications of risks in order to assess the social response such as political mobilization, organisation structure and like.

Findings whether the bank perceives the risks at early stage indicates a mean 4.3226 and insignificant standard deviation 0.73958. Majority of the respondents agreed. This implies that Post Bank Uganda perceives risks at an early stage to emphasize a dialogue with efforts of effective and efficient management of risks to avoid the eventualities. The detection of risks at early stages clearly frames perceptions of risk to determine and understand the nature of risk and the appropriate course of action. This agrees with Wong (2012), who argues that communication and consultation perceives the risks at an early stage to add value to organisation activities.

Findings whether the bank makes vulnerable assessment of risks in the financial transactions in the bank indicates a mean 3.9892 and insignificant standard deviation 0.75893. Majority of the respondents agreed, which implies that Post Bank Uganda makes vulnerable assessment risk on financial statements to mitigate financial loss. Financial statement risk has the same relation with audit risk as risk of material misstatement and detection risk. Further, risk of material misstatement consists of two components as inherent risk and control risk which requires vulnerable assessment. This agreed with McNeil et.al (2005), who assert that vulnerable assessment of risks in the financial transactions supports fair presentation and reporting of financial statements at banks.

Findings whether the bank estimates the risks in loan performance indicates a mean 4.3011 and insignificant standard deviation 0.46121. Majority of the respondents agreed, which implies that Post Bank Uganda estimates loan performance through the 4Cs which are collateral, capital, character and condition. The 4 Cs of credit help in making the evaluation of credit risk systematic. They provide a framework within which the information could be gathered, segregated and analysed. It binds the information collected into 4 broad categories namely character; capacity; capital and conditions which support assessment of risk in loan performance. The capacity to expose and increase credit risk depends on the ability and resilience to get hit on loan performance.

Interviewees asserted that the bank invests in data visualization with business intelligence tools to evaluate risks. There are also credit administrators who comprehensively evaluate customer exposure to ensure overall exposure to a single borrower is monitored captured and controlled. For comprehensive evaluation of customer exposure, banks may consider appointing relationship managers to ensure overall exposure to a single borrower is monitored, captured and controlled.

Participant 5 asserted that;

> *Post bank has a loan review mechanism that acts as an essential tool for constantly evaluating quality of its loan book and to bring about qualitative improvements in credit administration.*

Table 4.11: Measures of Monitoring and Review

Monitoring and Review	N	Min	Max	Mean	Std. Dev
I regularly observe the credit financial risk of the bank	93	4.00	5.00	4.38	.48
I record the activities taking place at the financial activities.	93	4.00	5.00	4.55	.50
I can gather information on all aspects of the bank transactions.	93	2.00	5.00	4.37	.70
I can separate evaluations and reporting deficiencies in all aspects of the bank transaction.	93	4.00	5.00	4.18	.38
Valid N (listwise)	93				

Source: Primary data (2019)

Table 4.11 revealed that the attributes of monitoring and review in the banking institution whereby regular observation of credit financial risk of the bank operations indicates a mean of 4.3871 and insignificant standard deviation of 0.48973. Majority of the respondents agreed, which implies that Post bank Uganda regularly observes its credit financial risk to mitigate non-performance of financial transactions. Observation of credit financial risks enhances loan performance since credits are advanced to worthwhile customers after in depth assessment. This agreed with Geesink (2012), who argues that credit financial risk practices mitigate losses by understanding the adequacy of a bank’s capital and loan loss reserves at any given time to reinforce management of risk on loans.

Findings whether the bank records the financial activities to reinforce risk management indicates a mean 4.5484 and insignificant standard deviation 0.50035. Majority of the respondents strongly agreed. This implies that Post Bank Uganda records all financial activities to enhance the risk management process. Financial activities records include deposits and credits offered to customers. Comprehensive record keeping of financial records fosters adequate risk management in the bank. This concurs with COSO (2004), who advocate that recording of financial activities fosters portfolio risk management (RM) which acts as strategic management control system applied in strategy setting to provide assurance regarding the achievement of entity objectives to ensure effective value-based management, activity-based management, the balanced scorecard, and other management control practices to support organisation efficiency.

Findings whether the bank gathers information on all aspects of its transactions indicates a mean 4.3763 and insignificant standard deviation 0.70578. Majority of the respondents agreed. This implies that Post Bank Uganda gathers information on all aspects of transactions whether customer related or non-customer related. Information gathering is the key to assess the status of risk management at the bank. Information is an arrangement of people, data, process, and information technology that interact to collect, process, store and provide as output the information needed to support risk management. In a Bank's information system, there is always a potential crisis which makes the bank endure an insufficiency; thus, an advanced information system supported by a superior mechanism control is required to make certain that an information system has achieved the required processes. This agrees with Bhimani (2009), who asserts that gathering of information provides a clear understanding of risks to predict the appropriate collective action, which indicates that an information system is an arrangement of people, data, processes and technology that act together to accumulate, process, store and provide information output needed to enhance and speed up the process of decision making.

Findings whether the bank separates evaluations and reporting deficiencies in all aspects of its transactions indicates a mean 4.1828 and insignificant standard deviation 0.38859. Majority of the respondents agreed. This implies that Post Bank Uganda separates the evaluation and reporting transaction deficiencies to foster risk management. The reporting deficiencies occurs within the audit of financial statements through material weakness, inefficient internal control over financial reporting, such that there is a reasonable possibility of mitigating material misstatement of the company's annual or interim financial statements to prevent or detect risk on a timely basis.

Interviewees asserted that the risk function provides a risk report quarterly which among other things includes a comprehensive and objective presentation of major risks faced as well as follow up of risk appetite and the level of risk management in order to enable the Board ensure that the organisations risk management and control is satisfactory. The compliance function also provides a quarterly report to the board which among other things includes the organisations compliance risks. At Post Bank, any breach of the appetite limits requiring immediate escalations according to the risk policy are reported directly to the CEO, Management team and Chairman Board.

In addition, participant 2 asserted that;

> *……………in the management meetings, all risk related decisions and other decisions having implications for management are documented. This is proceeded by a follow up by the Risk function on any actions and a report back to the board.*

4.3 Organisation Structure and technology capacity in the banking institution

Table 4.12: Measures of organisation structure and technology capacity

Measures	N	Min	Max	Mean	Std. Dev
The unit of command within the organisation fosters risk management.	93	4.00	5.00	4.79	.41
The chain of command facilitates effective communication.	93	4.00	5.00	4.72	.45
There is collective participation on risk management at the bank.	93	4.00	5.00	4.56	.49
There are defined risk management roles for bank staff.	93	4.00	5.00	4.48	.50
The clear shared vision enhances risk management competencies.	93	4.00	5.00	4.13	.34
There is risk management span of control at the bank.	93	4.00	5.00	4.55	.49
Valid N (listwise)	93				

Source: Primary data (2019)

Table 4.12 revealed that the attributes of organisation structure of the banking institution. Findings whether the unit of command within the organisation fosters risk management indicates a mean of 4.7957 and insignificant standard deviation of 0.40538. Majority of the respondents strongly agreed, which implies that the unit of command within the organogram at Post Bank Uganda supports flow of information to manage risks. The chain of command hierarchy reporting relationships from the bottom to the top of an organization establishes accountability which lays out lines of authority and decision-making power pertaining management of risk. A proper chain of command ensures that every task, job position and department has one person assuming responsibility for performance. This concurs with Hofstede and Quinn (2010), who assert that the unit of command supports reporting relationships to manage risk in commercial banks.

Findings whether the bank's chain of command facilitates effective communication management indicates a mean 4.7204 and insignificant standard deviation 0.45122. Majority of the respondents strongly agreed, which implies that Post Bank Uganda has well established chain reporting relationships to support decision making concerning risk management. A clear chain of reporting relationships facilitates information and knowledge sharing to foster risk management.

Findings whether there is collective participation on risk management at the bank indicates a mean 4.5699 and insignificant standard deviation 0.49777. Majority of the respondents strongly agreed, which implies that Post Bank Uganda encourages member's collective participation on risk management to prepare an effective risk treatment plan. However, prioritization is necessary when costs of all risk treatments exceed budgets. This concurs with Boelus (2011), who observes that collective decisions about risks are the outcome of a 'mosaic' of interactions between governmental or administrative actors, science communities, corporate actors and actors from civil society at large, many of the interactions taking place and relevant to only individual parts of the overall process to manage risks.

Findings whether the bank defines risk management roles for bank staff indicates a mean 4.4839 and insignificant standard deviation 0.50245. Majority of the respondents agreed. The bank provides formal risk management roles for staff which reflects an important role of risk evaluation to resolve risks-risk trade-offs. Defining the risk management roles fosters the process of identifying, assessing and controlling threats to an organization's capital and earnings. These threats, or risks, could stem from a wide variety of sources, including financial uncertainty, legal liabilities, strategic management errors, accidents and natural disasters. Bank staff share information with assurance of IT security threats and data-related risks, and the risk management strategies to alleviate them, have become a top priority for digitized companies. As a result, a risk management plan increasingly includes companies' processes for identifying and controlling threats to its digital assets, including proprietary corporate data, a customer's personally identifiable information and intellectual property.

Findings whether the bank has clear shared vision to enhance risk management competencies indicates a mean 4.1290 and insignificant standard deviation 0.33705. Majority of the respondents agreed. This implies that Post Bank Uganda has clear shared vision pertaining risk management practices. A clear and shared vision provides for risk appraisal in two process stages: first, natural and technical scientists use their skills to produce the best estimate of the physical harm that a risk source possesses to uncover risk assessment; secondly, social scientists and economists identify and analyse the issues in the organisation as a whole to link with a certain risk.

Findings whether the bank has risk management span of risk control indicates a mean 4.5591 and insignificant standard deviation 0.49918. Majority of the respondents strongly agreed. This implies that Post Bank Uganda has a span of control to mitigate risk. Perception of personal or institutional control over the management of risk options oversees the organisation performance. In many instances implementation of span of risk controls requires top management and full participation of staff to manage risks. However, the risk management team has at any rate the implicit mandate to supervise the implementation process of risk span of control. This agreed with Felonic (2013), who asserts that the ability to control and direct technological destiny to manage risk fosters organisation performance.

Interviewees supplemented that the bank has effective reporting procedures to manage risks through front line staff to explain the uses of risk information and report the potential consequences of poor risk reporting, management level-produce risk management reports highlighting areas of concern, change, emerging threats and opportunities, senior level- report recommendations for improvements based on systematic analyses of information at agreed intervals, leadership level-ensure that risk reporting systems enable effective decision making and are capable of identifying actual and emerging risks.

Participant 3 asserted that;

> *……………Postbank has periodic and recurring risk reporting designed to provide reliable, current complete and timely information to the recipients, reflecting the nature of different risk types as well as market developments*.

4.4 Correlation matrix

The correlation matrix to establish the causal significant relationship between organisation culture, organisation structure on risk management.

Table 4.13: Relationship between organisation culture, structure and risk management

		Artifacts	Values	Shared assumptions	Org’n str’e	Risk Mag’t
Artifacts	Pearson Correlation	1	.670**	.433**	.416**	.669**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	93	93	93	93	93
Values	Pearson Correlation	.670**	1	.333**	.317**	.571**
	Sig. (2-tailed)	.000		.001	.002	.000
	N	93	93	93	93	93
Shared assumption	Pearson Correlation	.433**	.333**	1	.195	.321*
	Sig. (2-tailed)	.000	.001		.061	.020
	N	93	93	93	93	93
Organization structure & capacity	Pearson Correlation	.416**	.317**	.195	1	.504**
	Sig. (2-tailed)	.000	.002	.061		.000
	N	93	93	93	93	93
Risk Management	Pearson Correlation	.669**	.571**	.321**	.504**	1
	Sig. (2-tailed)	.000	.000	.002	.000	
	N	93	93	93	93	93
*. Correlation is significant at the 0.05 level (2-tailed).						
**. Correlation is significant at the 0.01 level (2-tailed).						

Source: Primary data (2019)

Table 4.13 shows a correlation relationship between organisation culture, structure and risk management at the bank. Organisation culture is measured in terms of organisation artifacts, values and shared assumptions.

Organisation artifacts with coefficient beta = 0.669 and p-value = 0.000 have a positive statistically significant relationship with risk management at 99% level. This implies that the bank artifacts are related with the management of risk through risk identification, analysis, evaluation, monitoring and review. Artifacts like personal data form for opening up an account, credit assessment forms, ATM cards, inquiry statement and the like influences risk management change in the same direction with risk management. This agreed with Brown (2013), who argued that unique resource artifacts guarantee competence with an early risk warning system which has a positive statistic significant relationship with the risk management portfolio in a financial institution. Further, Charleton (2010) argues that an artifact through an effective knowledge based system facilitates identification, analysis and evaluation of complex risks has a positive significant relationship for determination of scientific risk management conventions. In addition, Tanden (2011) maintains that the capacity artifacts determine the scientific conventions to manage risk which is the prime indicator of effective risk management.

Organisation values with coefficient beta = 0.571 and p-value = 0.000 have a positive statistically significant relationship with risk management at 99% level. This implies that the bank values like teamwork, integrity, objectivity, confidentiality, customer care, transparency, honesty and the like have a relationship with risk management through risk identification, analysis, evaluation, monitoring and review. Values are the standards that guide the bank conduct with the help of vision and mission statements to provide direction, focus and energy to accomplish shared goals. This agreed with Freeman (2014), who asserts that assessment of micro operation values through suppliers, customers has positive significant effect on risk management. Similarly, Juliano (2008) argued that scanning of the organisation values, political, social, economic and technological environment has statistic significant influence on risk management. Further, Atkin and Skitmore (2008) argued that operation values have a positive significant relationship with risk monitoring and review of activities to induce their capacity and the action of other stakeholders either positively or negatively or the decision making process to curb down the occurrence of risk. These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs.

Organisation shared assumptions with coefficient beta = 0.321 and p-value = 0.020 have positive statistic significant relationship on risk management at 95% level. This implies that shared assumptions at the bank relates with risk management. Shared assumptions influence group interdependence amongst individuals to work together towards effective risk management in the financial institution. Organizational culture is a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to risk management. This agreed with Kutsch and Hall (2010) who assert that the collaborative shared assumption to achieve a common goal or to complete a task in the most effective and efficient way has positive statistic significant relationship on risk management. Li et.al (2013), opine that the imperative role of shared assumptions is to influence corporate risk management in the banking entity. Further, McDonald (2009) asserts that risk appetite articulated through shared assumptions facilitates risk management.

Organisation structure and technology capacity with coefficient beta = 0.504 and p-value = 0.020 have a positive statistic significant relationship on risk management at 99% level. This implies that the bank structure and technology capacity relate with risk management. The organisation structure allows the expressed allocation of responsibilities for different functions and processes to different entities such as the branch, department, workgroup, and individuals to ensure effective and efficient risk management. Post Bank Uganda Limited's structure outlines how risk management activities are directed in order to achieve the set goals. This concurs with Zebradex (2012), who points out that adoption of modern technology in the organisation eases flow of artifacts, shared assumptions and values, which facilitates risk management. Hesklet (2013), conjures that formal organisation structure facilitates risk management.

> Interviewees supplemented that *the organisation culture provides for talent management which supports defining of risk management roles throughout the bank and filling them with the right talent. The bank has also reviewed its incentive policies especially bonus payments. As previously, the aggressive sales targets and rewards to employees encouraged and in some cases condoned inappropriate risk taking. In addition, fostering a sense of unity among team members enhances identification of risky behavior.*
>
> *The bank has developed policies to manage risk like operations policy to guide the activities that facilitate the day to day running of the bank, human resource policy that acts as a guide to all human resource functions such recruitment, selection and rewarding among others, credit policy that guides all lending related activities in the bank, customer care charter this reaffirms the bank's commitment to put the customers as its biggest priority and the risk policy which spells out the quantitative prudential limits on various segments of the banks operations.*

4.5 Regression analyse

Table 4.14: Multiple regression between organisation culture, structure and risk management

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-.797	.971		-.820	.414	-2.727	1.134
	Artifacts	.307	.079	.414	3.871	.000	.149	.465
	Value	.453	.220	.203	2.061	.042	.016	.890
	Shared assumptions	.034	.120	.023	.288	.154	-.104	.273
	Organisation structure & Capacity	.346	.105	.264	3.285	.001	.137	.555

a. Dependent Variable: Risk Management

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.730[a]	.533	.512	.21361	.533	25.142	4	88	.000

a. Predictors: (Constant), Organisation structure and capacity, Shared assumptions, Value, Artifacts

Source: Primary data (2019)

Table 4.14 shows a regression analysis of independent variables on risk management at the bank. It indicates that risk management is influenced negatively by -0.797 when organisation culture is suspended/ zero. It implies that absence of organisation culture impedes management of risks which paves ways for their occurrence at the bank.

The organisation artifacts, values, and shared assumptions explain 51.2% (Adjusted $R^2 = 0.512$) variation on risk management while the 48.8% is explained by other factors.

Organisation artifacts with coefficient beta = 0.414 and p-value = 0.000 have a positive statistically significant prediction of risk management at the bank at 99% level. This rejects null hypothesis one (H^1). It implies that unit change in artifacts leads to 41.4% increase in level of risk management at the bank. In others wards, adherence to artifacts at Post Bank Uganda enhances risk management through identification, analysis, evaluation, monitoring and control. This agreed with Hampton (2006), who asserts that practical artifacts in an organisation have a positive statistic significant effect on risk management based upon implementation of various artifacts. Further, Lenckus (2005), mentions that intangible artifacts such as management support, committing ample time to the effort, planning wisely, proving the plan‘s worth determination of risk at early stage have positive significant prediction on enterprise risk management (ERM) at 1% level. More so, Coccia (2005), believes that communication and promotion of behavioral artifact changes throughout an organization are the key success factors for risk management.

Organisation values with coefficient beta = 0.203 and p-value = 0.042 have positive statistically significant prediction of risk management at the bank at 95% level. This rejects null hypothesis two (H$^{2)}$. It implies that unit change in organisation values leads to 20.3% increase in level of risk management at the bank. Organisation values like customer care, teamwork, quality assurance, transparency, integrity, professionalism and the like accelerates the risk management process through identification, analysis, evaluation, monitoring and control. Values determine the success of the organisation through collective participation, teamwork to induce risk management knowledge sharing. This agreed with Charles (2011), who asserts that strategies of risk management have a positive significant influence on risk management in an organisation. Further, Alf (2018) establishes and maintains that the right risk culture is to have in place an appropriate system of values, shared beliefs and individual behavior to predict effective risk management. In a similar way, Schein (2010) calls for consensual validation among group members for a total group value harmony to support effective risk management. Sheedy and Griffin (2014), point out for instance that a leader may propose investing more resources into implementation of values to predict risk management.

Organisation shared assumptions with coefficient beta = 0.023 and p-value = 0.154 have a positive statistically insignificant effect of risk management. This rejects the null hypothesis three (H^3). This implies that organisation shared assumptions do not influence risk management in the banking environment. Organisations with shared limits and monitoring procedures, involved employees facilitate proper communication and instilling risk into the organisation culture hence a positive statistic significant impact on effective risk management. This agreed with Roth and Espersen (2010), who argue that shared assumptions together with employee team work limit the success of risk management due distortion of the entire formal processes of risk management planning, risk identification, risk analysis, risk response planning and risk monitoring and control. Further, Bostanci (2013), who studied shared assumptions on risk culture terms of maturity at various levels of management in a bank and found insignificant effect relation on the level of risk management. Nonetheless, this contradicts with Li et.al (2013) who opine that the imperative role of shared assumptions is to influence corporate risk management in the banking entity. Waxman (2017), states that the shared assumptions from the top describes the climate and overall philosophy set by the board and executive to support risk management in the organisation.

Organisation structure and capacity with coefficient beta = 0.264 and p-value = 0.001 have positive statistically significant influence of risk management at 99% level. This implies that organisation structure and technological capacity influence organisation culture to manage risk in the banking industry. This agreed with Hesklet (2013), who conjures that formal organisation structure facilitates risk management. The organisation structure acts as a catalyst to accelerate risk management through desirable organisation culture (Olhelte, 2011). Post Bank Uganda's organisation structure is matrix and division based which aids in the management of risk to support efficiency.

> Interviewees asserted that *values, artifacts and organisation structure largely influence collective participation towards risk management in the bank. The bank has also adopted a comprehensive risk rating systems to serve as a single point indicator of diverse risk factors and for taking credit decisions in a consistent manner. This system incorporates financial analysis, projections and sensitivity, industrial and management risks. Postbank is moving towards implementing artificial intelligence predictive banking. This will help the bank to consolidate all internal and external data, build predictive profiles of customers and members in real time.*

The resultant multiple regression model is set out below:

Risk management = f (A, artifacts; V, values; AS, assumptions)

RM $=\beta_0+\beta_1 A + \beta_2 V + \beta_3 AS + \beta_4 OS\&T + \varepsilon$……………………………..…………..(i)

Risk management = - 0.797 +0.414A +0.203V +0.023AS+ 0.264OS&T+ ε

The regression model indicates that organisation artifacts, shared values with support of organisation structure and capacity predicts risk management. However, suspension of organisation culture deters risk management in the bank.

4.5 Conclusion

This chapter presented the empirical results of the study with concern on the effect of organisation culture attributes conceptualized as artifacts, values, shared assumptions; organisation structure and technology capacity on risk management. Regression results indicate that artifacts and values have positive significant effects on risk management while shared assumptions is insignificant. The adjusted R square of 51.2% indicates that the predictor variables fit on the regression and are suitable in explaining the risk management variation in the banking industry. The next chapter presents summary, conclusions and recommendations of the study findings.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary of empirical analysis of each research objective, conclusions of the study findings, recommendations, and areas for further research

5.1 Summary of findings

5.1.1 Effect of organisation artifacts on risk management.

Findings from the regression analysis indicate that organisation artifacts with beta coefficient 0.414 have positive statistic significant effect on risk management at 99% level. Furthermore, correlation analyse indicates positive statistic significant relationship between artifacts and risk management at 99% level. Artifacts like personal data form for opening up an account, credit assessment forms, ATM cards, inquiry statement and the like influences risk management. The artifacts guide the bank on the appropriate ways of preventing and detecting risks. Most artifacts confer the ways risks are managed in the banking environment. Artifacts is the first level of organizational culture which sets out things that can be seen, heard and felt in the organizational environment. It consists of physical and social aspects of the organization which includes architecture, technology, office layout, manners of dress, visible interactions among staff members and outsiders as well. Supplements from interviewees assert that the organization's vision, mission statements, slogans and other important creeds are part of artifacts. Products of an organization, its technology, rituals, customs, ceremonial events, stories and myths are popular organization artifacts required to manage risks.

5.1.2 Effect of organisation values on risk management

Findings from regression indicate that organisation values with beta coefficient 0.203 have positive statistic significant effect on risk management at 99% level. Other findings with correlation indicate that organisation values have positive statistic significant relationship on risk management at 95% level. This implies that the bank values like teamwork, integrity, objectivity, confidentiality, customer care, transparency, honesty and the like influences risk management through risk identification, analysis, evaluation, monitoring and review. Most of the customs and standardized procedures are proposals or ideas given by some early members of the banks. Successfulness of these proposals and ideas made them beliefs. Consulting and interviewing senior bank managers about clearly manifested artifacts enables employees to understand espoused values to manage risks.

5.1.3 Effect of shared assumptions on risk management

Findings from regression indicate that shared assumptions have positive statistic insignificant effect on risk management. However, findings with correlation indicates that organisation shared assumptions have positive statistic significant relationship on risk management at 95% level. It implies that shared assumptions are necessary for risk management but do not predict its occurrence. The deepest level of organizational culture is the shared tacit assumptions as it is related with the unconsciousness. Espoused or underlying values with the passage of time are transferred to the unconscious level and employees start to consider them as for granted and are known as underlying basic assumptions to manage risk. These assumptions are most difficult thing to change or relearn in a culture. These assumptions are unseen and unidentifiable for most of the organizational members in their routine work and interactions, thus disassociate it with risk management.

5.1.4 Effects of moderating variables on risk management

Findings from regression results indicate that organisation structure and technology capacity of the bank with beta coefficient 0.264 have a positive statistic significant effect on risk management at 99% level. Correlation results also indicate that organisation structure and technology capacity of the bank have positive statistic significant relationship on risk management at 99% level. The organisation structure prescribes the unit/line of communication which reinforces organisation culture to manage risk. In addition technology advancement is a core driver of a banking institution's risk management networks since transactions are online.

The regression Adjusted R-square results of 0.512 indicates that organisation artifacts, organisation values and shared assumptions predicts 51.2 % variation on risk management. This implies that predictor variables are suitable in explaining the variation in risk management in the bank, thus show goodness fit of the regression line. All variables have positive effects on risk management.

Findings from descriptive statistics indicate that Post bank Uganda Limited embraces the organisation culture to manage risks with the aid of organisation structure and technology capacity.

5.2 Conclusions

The conclusions from findings are set out as follows.

According to objective one about the effect of bank artifacts on risk management. Based on the findings from correlation and regression, it is concluded that bank artifacts like materials, buildings, symbols, names, images, logos and the like have positive effects on risk management through risk identification, analysis, evaluation, monitoring and review to support organisation efficiency. Artifacts entail all activities that are seen, heard and felt within the organisation environment to manage risks.

According to objective two about the effect of bank values on risk management. Based on the findings from correlation and regression, it is concluded that bank values are predictors of risk management through risk identification, analysis, evaluation, monitoring and review to support organisation efficiency. Values like integrity, teamwork, prioritising customers and the like induce risk management practices in the banking environment.

According to objective three about the effect of bank shared assumptions on risk management. Based on the findings from correlation; shared assumptions have positive significant relationship on risk management while regression portrays positive insignificant effect. This therefore concludes that shared assumptions do not predict risk management. Assumptions are unseen and unidentifiable for most of the organizational members in their routine work and interactions which deter its impact on management of risks.

All predictor variables with adjusted R-square 51.2% are suitable to explain the variation of risk management in the banking industry.

5.3 Recommendations

The study makes a number of recommendations:

The study recommended that banks should implement artifacts to accelerate risk management practices in operations. These consist of physical and social aspects like architecture, advanced risk management information technology, credit data entry forms, account opening entry forms, office layout, manners of dress, visible interactions among staff members and the like to manage the risks.

The organization should integrate risk management yardsticks within the vision, mission statements, slogans and other important creeds to support the manage risks. The vision predicts the future, mission statement indicates how to achieve the vision. Staff should also have motivation slogans of managing risks such as “zero tolerance to risk”.

The bank managers should promote the shared values like early information sharing when a risk is anticipated, knowledge sharing on risks, to prevent and detect risks. The values like encouraging consultation and interviewing of members about risk leads to effective risk management.

The bank managers should adopt modern technology to support organisation culture to manage risk. On job training workshops on the use of modern technology should be integrated within the program to support the organisation efficiency.

5.4 Suggestions for further research

- Evaluate the relationship between risk management and organisation efficiency.
- The effect of organisation structure on organisation performance.

REFERENCES

Books

Ai, J. and Brockett. L., 2008. *Enterprise risk management. In B. Everitt, & E. Melnick, Encyclopaedia of quantitative risk assessment*. Hoboken: John Wiley

Brooks, D.W., 2010. *Creating a Risk-Aware Culture. Enterprise Risk Management: Today's Leading Research and Best Practices for Tomorrow's Executives*. Hoboken: John Wiley & Sons.

Ceccehetti, S., 2008. *Money, Banking and Financial Markets*.2nd ed. New York: McGraw Hill.

Cressy, I., 2002. *Qualitative evaluation and research methods.* 2nd ed. Newbury Park, CA: SAGE Publications.

Creswell, J.W., 2013. *Qualitative inquiry and research design: choosing among five approaches*. Thousand Oaks, CA: Sage Publications, Ltd.

Crouhy, M. et al., 2005.*The Essentials of Risk Management*. NewYork: McGraw-Hill.

Flamholtz, E.G. and Randle, Y., 2011. *Corporate Culture: The Ultimate Strategic Asset*. California: Stanford University Press

Freeman, B., 2014. *The Reciprocal Influence of Organizational Culture and Training and Risk management Process*. Texas: Texas A&M University: Pp5-6

Gagliardi, R., 2015. *Culture, Leadership, and Organizations risk management: The GLOBE Study of 62 Societies.* Thousand Oaks: Sage Publications.

Gerger, B., 2010. *Checklist for Organisation Change: A Pragmatic Approach to Create and Control artifacts, values and shared assumptions*. Maryland: The Scarecrow Press, Inc

Hampton, M., 2006. *Built strong organisation culture to wipe out risk warning traits in Contemporary Organisations: Successful Habits of Visionary Companies.* New York: Harper Collins. Pp25-27.

Han, J., 2006. *Introduction to qualitative and qualitative research methods*. 3rd Edition, New York: Cambridge University Press.

Helocal, C., 2012. *Risk Management in portfolio management of financial intermediaries; How to manage loan non-performance, Financial Times*. London: Prentice Hall.

Hetler, B., 2012.*Implementation: The Missing Link Between quantitative Research and Practice*. North Carolina: National Implementation Research Network

Hofstede, M., 2011.Risk *Management Theory and Organisation performance, Increasing Professional Effectiveness*. England: Jossey-Bass. Pp6-7.

Hubbard, D., 2009. *The Failure of Risk Management: Why It's Broken and How to Fix It*. New York: John Wiley & Sons

Joab, A., 2011.*Risk management criteria*. Amsterdam: Gordon and Breach Science Publisher.

Joel, D., 2012. *Practical risk management in the construction industry*. London: Thomas Telford Publications.

Johnson, L. and Scholes, A., 2012. *Credit Risk Management Guidelines: Managing Risk in Large Projects and Complex Procurements.* Lichester: John Wiley & Sons, Ltd

Katebire, J., 2007. *Assessment validity of data collected with quantitative tool*: Sage Publications Inc.

Krejcie and Morgan, 1970. Sample determination table in social science research.

Kutsch, L. and Hall, B., 2010. *Common origination goal and risk management processes*. *Sloan*

Leedy, C. and Ormrod, E., 2005. *Evaluation of statistic tools and reliability of the data*. London: Thomas Telford Ltd.

Odiya, L., 2009. *Data validity measurement of qualitative and quantitative tools*. Visa.

Okirio, C., 2009. *Contemporary Credit-Wide Risk Management Frameworks: A Comparative Analysis in a Strategic Perspective. Perspectives on Strategic Risk Management*. Copenhagen: Copenhagen Business School Press.

Patril, E., 2011. *Content Validity index and data collection tools*. Research policy.

Pritchard, C., 2012. *Relationship between risk management and the perception of organizational performance, roles of organisation culture, social capital, and culture: comparison between manufacturing firms in Cambodia and Taiwan*. National Cheng Kung University, Tainan, Taiwan

Santomero, A., and Babbel, D., 2001. *Financial markets, Instruments and Institutions*.2nd ed. New York: McGraw Hill.

Saunders, T., 2011. *Validity and reliability of data collection tool*. Sage Publishers.

Schein, E. H., 2010. *Organizational Culture and Leadership*. 4th ed. New Jersey: Wiley

Schein, E.H., 2004. *Organizational Culture and Leadership*. 3rd ed.San Francisco: Jossey-Bass

Sekaran, T., 1992. *Adoption of interview guide in qualitative research study*. 14th ed. Zeron Publications.

Sekaran, T., 2003. *The sampling strategy in research.* Free Press: SAGE Publishers.

Journals

Adair, A. and Hutchison, N., 2005. The reporting of risk in real estate appraisal property risk scoring. *Journal of Property Investment & Finance,* 23 (3), pp.254-268

Ahmed, I., and Manab, A.N., 2016.Influence of Enterprise Risk Management Success Factors on Firm Financial and Non-financial Performance: A Proposed Model. Pp. 4-5 *International Journal of Economics and Financial Issues*, 2016, 6(3), 830-836[online] Available at: www.econjournals.com [Accessed 22nd June, 2018]

Amin, R., 2005. Sampling techniques in social science research design, *Journal on research strategies*, 7(8)9-11.

Armstrong, J., 2008. Applying a Risk Management Process (RMP) to manage risk for financial institution. *International Journal of Business Management*, Vol.17, no.4, Pp.23-25.

Atkin, B. and Skitmore, I., 2008. Portfolio Management, a practical guide to manage credits in financial institutions. *Journal of risk appetite*, Vol.8, no.6, Pp.19-21.

Barret, V. and Spiers, L., 2002. *Reliability and validity of research instruments in social science study, Instrument evaluation*.

Bhimani, A., 2009. Risk management, corporate governance and management accounting: emerging interdependencies. *Management Accounting Research* 20 (2009) 2-5

Boelus, G., 2011. Organisation culture and practical considerations of risk management in banking industry, *Journal of management*, 5(9)23-27.

Brown, K., 2013. Risk Management and organisation culture Networks. *Journal of economic*, Vol.7, no.9, Pp.32-34.

Bryman, W. and Bell, A., 2011. Case Study: A Strategic Research Methodology. American *Journal of Applied Sciences. Science Publications* 1602. Vol. 5, No. 11, pp. 1602-1604.

Charles, A., 2012. Organisation culture and Integrated Framework on Enterprise Risk Management. *Journal of applied economics*, Vol.4, no.6, Pp.18-20.

Charles, L., 2011. Organisation culture and Enterprise Risk Management. From Strategic to operation risk management criteria'. *Journal of organisation behaviour*. Vol.7, no.3, Pp.25-27.

Churchill, R. and Israel, T., 2010. Processes of a case study methodology for mixed research. *European Journal of research study*, 8(9)3-5.

Coccia, H., 2005. Organisation culture and Practical Enterprise Risk Management in contemporary entity: A Business Process Approach; *Journal of business management*, Vol.3, no.5, Pp.7-12.

Cole, D., 2014. Driving a Strong Risk Culture: A Swiss Re Perspective. *The Journal of Financial Perspectives*, 2(2), Pp. 15-25.

Colline, A., 2011.*Research method approaches and organisation theory*. Social science studies.

Delery, T. and Doty, B., 2009. The new learning organization culture and risk management process *Journal of Human Resource Development Quarterly*, Vol.2, no.5, Pp.81-84.

Derol, V., 2012.Founder-CEO succession and the paradox of risk management process in the Organization Science. *Journal of management*, Vol.4, no.2, Pp.12-14.

Douglas, E. and Wildavsky, L., 2010. Organizational Commitment Revisited in New culture practices: Motivation, Organizational, Culture, Sector, and Managerial Level. *Performance and Management Review*, Vol.4, no.2, Pp.77-79.

Dzhaparov, P., 2016. Some opportunities for studying banking risk culture *Journal of Varna University of Economics* Vol. 60 №4,Pg 484 [online]. Available at http://journal.ue-varna.bg/uploads/20170209015401_758148090589c74795f746.pdf [Accessed 18th May ,2017]

Farrell, B. and Rudd, E., 2009. The Quantitative Measurement of Organizational Culture in Health Care': A Review of Available Instruments. *Health Services Research*, Vol.8, no.3, Pp.23-25.

Felonic, B., 2013. Empirical Analysis of Risk Culture in Financial Institutions. *Journal on forensic audit*, 7(4)45-47.

Fiedle, F. L., 1980. Leading Change: How Transformation Efforts support risk management processes. *Harvard Business Review*, Pp. 59-67

Fornell, A. 2013.Risk management and calculative cultures in the banking sector, 2(9)18-40

Fornell, L., (2013). Organizational Culture and risk management in financial institutions. *The Journal of management*, 53(6)3-15.

Francesco, R., 2010. Simplicity shared assumptions: The Effects of Organizational Culture on Risk Identification. *The Academy of Management Journal* Vol.8, no.9, Pp.13-15.

Freklet, M., 2011. Double-Loop Management: Making Strategy a Continuous Risk monitoring and review Process. *Harvard Business School Publishing*, Vol.2, no.4, Pp6-7.

Geigleir, R., 2015. The Work of Leadership in organisation culture. *Harvard Business School Publishing Corporation*, Vol.2, no.7, Pp90-94.

Guttmacher Institute, 2006. Quantifiable response rate and validity of the research tool, *Journal of business research*, 9(7)12-15.

Hafeez, E., 2013. Measuring Normative Beliefs and Shared Behavioral Expectations in Organizations: The Reliability and Validity of the Organizational Culture Inventory. *Psychological Journal*, Vol.5, no.7, Pp12-18.

Helto, F., 2011. Managing Successful Organizations in the Public Sector. *Public Administration Review*, Vol.6, no.9, Pp12-14.

Hesklet, C., 2013.Federal Risk Management Commission: Assessing risk across the organisation department. *Journal of organisation behavior*, Vol.9, no.7, Pp19-22.

Hess, L. and Gaertner, H., 2006. Reframing risk in the Organization and performance. *Journal of management,* Vol.5, no.9, Pp10-12.

Heveloh, T., 2011.Crucibles of organisation Leadership and risk management. *Harvard Business School Publishing Company*. Pp4

Hillson, D., 2002. Critical success factors for effective risk management: Part 4 – Risk culture. *Project Management Review* .Pp. 23.

Hofstede, M. and Quinn, T., 2010. Dysfunction Culture, Dysfunctional; Organization: Capturing the Behavioral Norms that Form Organizational Culture depend to manage risk'. *Journal of Managerial Psychology*, Vol.21, no.8, Pp.70-73.

Hsieh, V. and Shannon, K., 2005. Analysis of qualitative data using NIVO software. *Research evaluation manual*, Vol.4. no.2, Pp90-94.

Javidan, V., 2011. Relationship between Organisation environment and risk management in financial institutions. *Journal of banking*, Vol.8, no.5, Pp.45-47.

Jie, I. and Roger, H., 2005. Credit risk management in the Queensland banking sector: a survey. *International Journal of portfolio Management*. Vol. 22, no.6, Pp. 21-24.

Johnson, P., 2011. Relationship between Organisation competence and credit risk management. *International Journal of banking*, Vol.5, no.8, Pp.72-74.

Juliano, B., 2008. Impact of Organisation efficiency and risk management process in banking industry. *Journal of business management*, Vol.5, no.4, Pp.9-12.

Kakeeto, D., 2014. *Research doss ate in the social science report*, Evaluation of data collection analysis, Pp. 33-36.

Karlene, C. and Douglas, N., 2013. Relationship between organisation competence and risk management process. *Journal of administration*, Vol.7, no.4, Pp78-79.

Kluckhohn, H., and Strodtbeck, D., 2011. ‘Evaluation of Risk culture and shared values in a contemporary organisation. *Journal of Applied Finance & Banking*, Vol. 4, Issue 5, pp.12-14.

Kormendi, E., 2009. Organisation environment and risk management process. *Journal of Applied Psychology*, Vol.6, no.3, pp.18-20.

Kothari, L., 2004. The Organisation competence, environment and risk management process. *Internal journal of business management*, Vol.9, no.7, Pp.19-21.

Kothari, L., 2004. The Organisation competence, environment and risk management process. *Internal journal of business management*, Vol.9, no.7, Pp.19-21.

Kumar, A., 2005. Research design in qualitative and quantitative approaches. *Journal of social science research*, Vol.8, no.4, Pp.5-6.

Leach, I. and Melicher, H., 2012. Performance Monitoring and Quality Outcomes in credit risk management. *International Journal of Quality and Reliability Management*, 9(4)39-41

Lenckus, B., 2005. Organisation culture and risk management process. *Risk Management and Economics*, Vol.12, no.3, Pp.23-25.

Leonard, V., 2009. Risk Management Framework for Contemporary organisations in Developing Countries. *International Journal of Economics*, Vol.9, no.2, Pp.27-29.

Li, K. et al., 2013. How does culture influence corporate risk- taking? *Journal of Corporate Finance*, 23, 1-22.

Luhmanm, N., 1996. Modern Society Shocked by its risk. University of Hong Kong, Department of Sociology Occasional Papers 17

Luhumanm, A., 2014 .Organisation Environment and risk management process. *Internal Journal of management*. Vol.7, no.9, Pp.29-31.

Mascarenhas, R., 2011. Importance of the credit risk management practice in microfinance. ANP-based approach. *International Journal of Business and Management*, Vol.3, no.5, Pp. 18-21.

McConnell, P. J and Blacker, K., 2011. The role of Systemic People Risk in the Global Financial Crisis. *Journal of Operational Risk*, Vol. 6/3 Fall Pp. 65-123

McDonald, T., 2009. Organisation competences and risk management process in banking sector .*Journal of organisation behavior*, Vol.5, no.4, Pp.9-12.

McNeil, C., 2005. A structured approach to financial institution credit risk management for banking sector in South Africa. South Africa: Nelson Mandela University. Pp5-9

McShane, T., 2011. Credit risk management and performance of banking sector. *International Journal of Management*, Vol.3, no.2, Pp.21-23.

Mihet, R., 2013. Effects of culture on firm risk-taking: a cross-country and cross-industry analysis. *Journal of Cultural Economics,* 37(1), 109-151.

Mills, H., 2011. Risk management in banking sector: review and future directions for research. *Financial transaction Management*, Vol.3, no.2, Pp.32-34.

Mitchell, A., 2011. Organisation environment and risk management process. *Journal of management,* Vol.8, no.5, Pp.43-45.

Moreel, L., 2013. Organisation Culture and Risk Governance practices. *Journal of Economic Issues* Vol. 48, no. 2, pp. 41-42.

Ngugi, T., 2010. Effective credit risk management outcomes: exploring effects of innovation and capital structure. *Journal of Strategy and Management*, Vol.2, no.4, Pp.35-37.

Ngwenyama, A., 2011. Risk Culture and organisation performance: Risk Management. Working paper on risk management and Insurance, *Journal of management*, 6(9)45-49.

Norah, G., 2012. Relationship between Organisation internal controls and risk management process. *Journal of Accountancy,* Vol.3, no.5, Pp.4-9.

O'Reilly, O. and Chatman, R., 1996. Impact of internal risk management factors on bank profitability: comparative study between Saudi Arabia and Jordan', *Journal of Applied Finance & Banking*, Vol. 4, Issue 1, pp.12-14.

Ojelanki, T., 2012. Corporate Performance Risk Management: How to Build a Better Organization through Measurement Driven Strategies Alignment. Butter-worth Heinemann. *Journal of organisation behavior*, 4(9)23-27.

Oleih, E., 2010. The determinants of credit risk management practices and organisation performance in Rwanda banking sector. *Journal of Social sciences,* Vol.6, no.3, Pp.8-10.

Olhelte, Z., 2011.Collaborative organisation risk management: present gaps and future research. *International Journal for Productivity Performance Management*, Vol.5, no.3, Pp. 7-11.

Opio, J., 2014. Organisation culture and risk exposures in Post Bank Uganda Limited, *Journal of banking*, 8(2)19-22.

Pateral, T., 2011. Collaborative credit risk management: present gaps and future research. *International Journal for Productivity Performance Management*, Vol.5, no.1, Pp.7-11.

Pertial, D., 2013. The measurement of innovation performance in the firm: an overview. *Research Policy*. Vol.1, no.9, Pp.5-7.

Phelip, L., 2010. Response Rates and Responsiveness for credit risk management process. *Standard Journal, American Journal of Psychology*, Vol.7, no.2, Pp.5-9.

Polit, J. and Beck, A., 2006. Determination of quantitative and qualitative data collection instruments, *Journal of research*, 5(9)14-15.

Poppendieck, M.T., 2013. Spontaneous harmonization effects of organisation culture and management of risk on accounting disclosure practices', *Accounting Horizons* 10(1)18-37.

Prahalad, B. and Hamel, E., 2010. Credit Risk Management and performance. *The Geneva Papers on Risk and Insurance*, Vol.2, no.5, Pp.60-63.

Ravasi, D. and Schultz. M., 2006. Responding to organizational identity threats: Exploring the role of organizational culture. *Academy of Management Journal. **49** (3): 433–458.* [online] Available at https://journals.aom.org/doi/10.5465/amj.2006.21794663 [Accessed 8th August 2017]

Rehonal, P., 2013. The influence of external environment on risk management in financial institution in developing country: Some empirical evidence, *Journal Accounting, Auditing and Accountability,* 7(4)47-72.

Renel, P. and Berliner, I, 2012. The dynamic of credit risk management: benchmarking the drivers of organisation performance. *European Management Journal*, Vol.7, no.2, Pp.35-38.

Repario, E., 2006. Effects of market orientation on business performance: Empirical evidence from Iceland. *Journal of Marketing and International Business*. [online]. Available at: https://notendur.hi.is/th/MSritgerdir/ritgerdir/ArtSchalk.pdf. [Accessed 3rd June 2017].

Rochette, M., 2009. From risk management to ERM. *Journal of Risk Management in Financial Institutions*, 2(4), pp.394-408.

Roth, L. and Espersen, H., 2010. Organisation Culture and Risk Management, A contingency perspective. *Journal of Public Policy*, Vol.9, no.4, Pp.18-20.

Siang, E. and Ali, T., 2012. Organisation environment and risk management process. *Journal of Economic*, Vol.3, no.4, Pp.4-7

Sloane, B., 2010. Enterprise risk management: theory and practice. *Journal of Applied Corporate Finance*, 18(4)8-14.

Slovic, P., 1987. Perception of Risk. *Science*. Vol, 236 Issue 4799, Pp.280-285.

Solitel, D., 2010. Credit risk management and the performance of local commercial Banks. *International Journal of Management*, Vol.3, no.2, Pp.21-23.

Tait, E., 2011. Cultural and structural constraints on risk management process implementation. *Journal of Management*, Vol.9, no.8, Pp.70-73

Treolien, L., 2010. A Literature Review on Organizational Culture and Corporate Performance. *Management Review forum*, Vol.5, Issue.2, Pp.3-6.

Treolien, V., 2010. Developing risk culture in an integrated enterprise risk management system: framework and structured gap analysis for public sector organizations', *International Journal of Learning and Intellectual Capital*, 6(9)34-37.

Trompenaars, K., 1998. International dimensions of organizational behavior and effective risk management.Vol.4, no.6, Pp.12-13. Boston, Kent Publishing.

Verma, G. and Charm, L., 2009. Dynamic Risk Assessment and organisation culture: The Practical Guide to Making Risk-Based Decisions with the 3-Level Risk Management Model (Kindle Edition). *Journal of management*, 9(11)17-21.

Vessuri, Q., 2012. Validation of Denison's Model of Organisational Culture and Risk management Effectiveness in Indian context. *Journal of Business Perspective*. Vol.2, no.4, Pp.9-12.

Walton, B., 2014. Safety Risk Management Guidance for System Organization. *SRMGSA-Final Version 1.4a.*

Williams, F. et al., 2013. Organisation culture and competitive advantages within the contemporary organisations, A Research on Turkish Gsm corporation culture. *Journal of Yasar University*, Vol.13, no.4, Pp.17-19.

Winch, C., 2010. Relationship between organisation crisis, culture and risk management, The New Leaders Work in public Organisations. *Journal of Organizational change Management* Vol.9, no.8, Pp.23-24.

Wood, A., and Anya, L., 2017. Risk culture development within the Caribbean development bank. *The Business and Management Review*, Volume 8 Number 4.Pp.1 [online]. Available at http://www.abrmr.com/myfile/conference_proceedings/Con_Pro_67307/conference_17927.pdf [Accessed 10th May 2017]

Wood, A., and Anya, L., 2017. Risk culture development within the Caribbean development bank. *The Business and Management Review*, Volume 8 Number 4.Pp.1 [online]. Available at http://www.abrmr.com/myfile/conference_proceedings/Con_Pro_67307/conference_17927.pdf [Accessed 10th May 2017]

Wood, V., 2005. Exploration systems and risk management plan in contemporary organisation. *Journal of economic*, Vol.4, no.7, Pp.8-9.

Wood-Harper, P., 2011.Towards a framework to analyse the impact of organisation culture on risk management, The *International Journal of banking and Research,* 24(1)42-56.

Zebradex, M., 2012.Critical success factors of risk management process implementation in a contemporary organisation. *Journal of risk management systems* Vol. 5, no.1, Pp.52-54.

Electronic Documents

Abril, J., et al., 2016. Practical risk management creates a winning risk-aware culture. [online] Available at: https://www.towerswatson.com/en-CA/Insights/Newsletters/Global/emphasis/2016/emphasis-2016-3-practical-risk-mgt-creates-a-winning-risk-aware-culture[Accessed 6th June 2018]

Adamson, C., 2013. The Importance of Culture In driving behaviours of firms and how the FCA will assess this. Speech at the CFA Society - UK Professionalism Conference, London. [online]

Alf, E., 2018. How to promote risk culture in your team. [online] Available at http://blog.protecht.com.au/promote-risk-culture-in-your-team [Accessed 18th October 2018]

Alix, M., et al., 2015. What is risk Culture and why is risk Culture important? [online].Available at: https://www.pwc.com/us/en/industries/financial-services/regulatory-services/regulatory-issues-videos.html?WT.mc_id=link_youtube+channel_vid+desc [Accessed 4th May, 2018].

Althonayan, A., et al., 2012. ERM Culture Alignment to Enhance Competitive Advantage. ERM Symposium. April 18-20, 2012. [online] Available at http://www.ermsymposium.org/2012/OtherPapers/Keith-Althonayan-Kill ackey-Paper-03-07-12.pdf [Accessed 16th May , 2017[

Anyanzwa, J., and Olingo, A., 2016 .How Kenya Ignored warnings over health of the banking Sector. *The East African News Paper*. [online] Available at: https://www.theeastafrican.co.ke/business/How-Kenya-ignored-warnings-over-health-of-banking-sector-/2560-3152592-12l51i5/index.html[Accessed 4th July 2017]

Arlt, M.W., et al., 2009. Implementation Real Estate Risk Management. Society of Property Researchers, Germany. [online] Available at: https://www.gif-ev.de/ publications /online shop / work papers [Accessed 22nd July, 2018]

Australian Prudential Regulation Authority (APRA), 2004.Report into Irregular Currency Options Trading at the National Australia Bank. [online] Available at:

http://www2.owen.vanderbilt.edu/nick.bollen/themes/pwcreport.pdf [Accessed 18th December 2018]

Available at: https://www.fca.org.uk/news/speeches/importance-culture-driving-behaviours-firms-and-how-fca-will-assess [Accessed 6th April 2017].

Bagala, A., 2016. CID probes shs7b bank fraud. *The Daily Monitor Newspaper*. [online] Available at: http://www.monitor.co.ug/Business/CID-probes-Shs7b-bank-fraud/688322-3150494-q8pupo/index.html [Accessed 23rd August 2018].

Bailey, A., 2017. Culture Financial Institutions: It's everywhere and nowhere. Speech by Andrew Bailey, Chief Executive of the FCA, at the HKMA Annual Conference for Independent Non-Executive Directors. [online] Available at https://www.fca.org.uk/news/speeches/culture-financial-institutions-everywhere-nowhere [Accessed 5th November, 2017]

Barclays Press Release, 2012. [Online] Available at: http://www.newsroom.barclays.com/Press-releases/Anthony- Salz-to-lead-independent-business-practices-review-915.aspx [Accessed 18th December 2018].

Basel Committee on Banking Supervision (BCBS), 2011. Principles for the Sound Management of Operational Risk Pp.13 [online] Available at: https://www.bis.org/publ/bcbs195.pdf [Accessed 7th October, 2017]

BBC Website, 2012. BBC News. [online] Available at: http://www.bbc.co.uk/news/business-18613988. [Accessed 18th December 2017]

Bingham, S.R., 2015. Risk Culture: Think of the Consequences. New York: Risk Management Insights, Marsh & McLennan Companies.[online] Available at: https://www.oliverwyman.com/content/dam/oliver-wyman/global/en/2015/apr/MMC-Global-Risk-Center-Risk-Culture-2015_2.pdf [Accessed 3rd October 2017]

Bloomberg, 2012. JPMorgan, USB, said among banks queried in Libor probe. [online]. Available at: www.bloomberg.com/ [Accessed 3rd October 2017).

Borge, D., 2013. ERM's frequent missing link: a strong risk culture. [online] Available at: http://www.bankingexchange.com/blogs-3/risk-adjusted/item/3959-erm-s-frequent-missing-link-a-strong-risk-culture [Accessed 16TH November 2017]

Bostanci, O., 2013. Presentation of a risk culture framework and assessment of risk culture at Garanti bank, Turkey. [online] Available at http://www.divaportal.se/smash/get/diva2:696556/FULLTEXT01.pdf [Accessed 14th December 2018]

Brownbridge, M., 1998."The Causes Of Financial Distress In Local Banks In Africa And Implications For Prudential Policy,"*UNCTAD Discussion Papers 132*, United Nations Conference on Trade and Development. [online]. Available at: https://ideas.repec.org/p/unc/dispap/132.html [Accessed 18th December 2018]

Bruesch, C. and Kager, L., 2010. Human Factors in Risk Management - Key Factors for Establishing a Risk Culture in the Public Administration. In: 14th IRSPM Conference. Berne/Switzerland. [online] Available at https://www.zhaw.ch/no_cache/en/research/people-publications-projects/detail-view-publication/publikation/5059/ [Accessed 22nd September 2017]

Chatter, L., 2014. Managing risk from the pre-occurrence stage to the post occurrence exposure Tone at the Top, Issue 18. [online]. Available at: usfweb2.usf.edu/uac/documents/ ManagingRisk.pdf. [Accessed 12th January, 2019].

Coburn, T., and Levin, C., 2011.Wall Street and The Financial Crisis: Anatomy of a Financial Collapse', Permanent Subcommittee On Investigations - United States Senate.[online] Available at:https://www.hsgac.senate.gov/imo/media/doc/PSI%20REPORT%20-%20Wall%20Street%20&%20the%20Financial%20Crisis-Anatomy%20of%20a%20Financial%20Collapse%20(FINAL%205-10-11).pdf [Accessed 31st March 2018]

Committee of European Banking Supervisors (CEBS), 2010. High level principles for risk management. [online] Available at: https://eba.europa.eu/documents/10180/16094/HighLevelprinciplesonriskmanagement.pdf [Accessed 16th November 2017]

Committee of Sponsoring Organizations of the Treadway Commission (COSO), 2004. Enterprise risk management framework. [online]. Available at: https://www.coso.org/Documents/COSO-ERM-Executive-Summary.pdf. [Accessed 12th December 2018]

Committee of Sponsoring Organizations of the Treadway Commission (COSO), 2009a. Strengthening Enterprise Risk Management for Strategic Advantage. [online] Available at http://www.coso.org [Accessed 15th July, 2017]

Committee of Sponsoring Organizations of the Treadway Commission (COSO), 2009b, ‘Effective enterprise risk oversight – the role of the board of directors’. [online] Available on http://www.coso.org [Accessed 15 July, 2017].

Costa, O., 2014. Risk in emerging markets the way forward for leading banks. [online]. Available at: https://www.mckinsey.com/~/media/mckinsey/dotcom/client_service/Risk/Working%20papers/56_Risk_WP_Paper_Emerging%20Markets.ashx [Accessed 3rd February, 2017].

Davidson, O.et al., 2012. The Need to Build a Strong Risk Culture Is Growing: Effective Diagnostics Support a Positive Culture. [online] Available at: https://www.towerswatson.com/en-SG/Insights/Newsletters/Global/emphasis/2012/The-Need-to-Build-a-Strong-Risk-Culture-Is-Growing [Accessed 13th January, 2017].

Deliotte, 2015. Implementing risk transformations in financial institutions. Governance and culture. [online]. Available at: https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Governance-Risk-Compliance/gx-grc-risk-transformation-financial-institutions.pdf [Accessed 3d February, 2017].

Deloach, J., 2015. The Importance of Risk Culture. [online]. Available at: *http://www.corporatecomplianceinsights.com/the-importance-of-risk-culture/* [Accessed 15th July 2017].

Deloitte, 2012a .The Leadership Premium. [online]. Available at:http//www.deloitte.com/view/en_GX/global/services/lead/495581f23b56310VgnVCM2000001b56f00Arcrd.html. [Accessed 5th November, 2017]

Deloitte, 2012b. Cultivating a Risk Intelligent Culture a fresh perspective. [online].Available at: https://www2.deloitte.com/content/dam/Deloitte/au/Documents/financial-services/deloitte-au-fs-cultivating-risk-intelligent-culture-1012.pdf [Accessed 14th February, 2017].

Deloitte, 2012c. Cultivating a Risk Intelligent Culture Understand, measure, strengthen and report [online]. Available at: https://www2.deloitte.com/content/dam/Deloitte/us/Documents/center-for-corporate-governance/us-ccg-cultivating-a-risk-intelligent-culture-050212.pdf [Accessed 14th February, 2017].

DOJ 2012, 'Assistant Attorney General Lanny A. Breuer Speaks at the UBS Press Conference', United States Department of justice. [online]. Available at: https://www.justice.gov/opa/speech/assistant-attorney-general-lanny-breuer-speaks-ubs-press-conference [Accessed 21st December 2017].

Dudley, W., 2014. Enhancing Financial Stability by Improving Culture in the Financial Services Industry. Speech at Federal Reserve Bank of New York Conference. [online]. Available at: https://www.bis.org/review/r141021c.pdf [Accessed 3rd September 2017].

Durland, M. and Caplan, M., 2018 .Why risk management must include corporate culture. [online]. Available at https://www.theglobeandmail.com/report-on-business/rob-commentary/why-risk-management-must-include-corporate-culture/article38010781/ [Accessed 22nd December 2017]

Economist Intelligence Unit (EIU) and Protiviti, 2013. Restoring Confidence: Risk Management Capabilities in the Wake of the Financial Crisis. [online]. Available at: www.protiviti.com/en-US/Documents/Surveys/EIU-Protiviti-Capabilities-Survey.pdf. . [Accessed 20th April 2018]

Epps, D., 2013. Cultivating a Risk Intelligent Culture: Boards and Management Perspectives. [online].Available at: https://deloitte.wsj.com/riskandcompliance/2013/07/18/risk-culture-using-metrics-to-deliver-results/. [Accessed 8th April 2018]

Ernst&Young, 2015. Risk management survey of major financial institutions. [online] Available at: https://www.ey.com/Publication/vwLUAssets/EY-rethinking-risk-management/%24FILE/EY-rethinking-risk-management.pdf [Accessed 13th July 2017].

Farrell, J.M. and Hoon, A., 2009. What's Your Company's Risk Culture? *Bloomberg Business*. [online] Available at https://www.bloomberg.com/news/articles/2009-05-12/whats-your-companys-risk-culture [Accessed 5th November, 2017]

Financial Crisis Inquiry Commission (FCIC), 2011. Final Report of the National Commission on the Causes of the Financial and Economic Crisis in the United States. [online]. Available at: https://www.govinfo.gov/content/pkg/GPO-FCIC/pdf/GPO-FCIC.pdf [Accessed 1st February 2018]

Financial Stability (FSB), 2011.Policy measures to address Systemically Important Financial Institutions. [online] Available at: http://www.financialstabilityboard.org/ [Accessed 14th September 2018]

Financial Stability Board (FSB), 2011. Policy measures to address Systemically Important Financial Institutions'. [online]. Available at: http://www.financialstabilityboard.org [Accessed 6th April 2017].

Financial Stability Board (FSB), 2014. Guidance on Supervisory Interaction with Financial Institutions on Risk Culture. [online]. Available at: http://www.fsb.org/wp-content/uploads/140407.pdf [Accessed 17th May 2017].

Financial Stability Board, 2014. Guidance on Supervisory Interaction with Financial Institutions on Risk Culture: A Framework for Assessing Risk Culture. [online].Available at: http://www.fsb.org/wp-content/uploads/140407.pdf [Accessed 15th July 2017]

Financial Times, 2012. Adoboli trades were queried by UBS accountant. Financial Times. [online]. Available at: www.ft.com/ [Accessed 8th August 2018]

FINMA 2012, Summary Report - FINMA Investigation into the Events surrounding Trading Losses of USD 2.3 billion incurred by the Investment Banking Division of UBS AG in London', Swiss Financial Market Supervisory Authority. [online] Available at: http://www.finma.ch/ [Accessed 15th January 2017]

FSA 2012a, *Final Notice – UBS AG'*, Financial Services Authority. [online]. Available at: http://www.fsa.gov.uk/ [Accessed 4th February 2017]

Gongloff, M., 2012. Rajat Gupta sentenced to 2 years in prison for insider trading.’[online] Available at: www.huffingtonpost.com [Accessed 19th May 2017].

Group of Thirty, 2015. Banking Conduct and Culture. A Call for Sustained and Comprehensive Reform. [online] Available at: https://group30.org/images/uploads/publications/G30_BankingConductandCulture.pdf [Accessed 15th July 2017]

Institute of Risk Management, 2012. Risk culture: Resources for practitioners. London: Institute of Risk Management. [online]. Available at: https://www.theirm.org/media/1605851/Risk-Culture-Resources-for-Practitioners.pdf [Accessed 3rd May 2017]

International Finance Corporation (IFC) 2015, Risk Culture, Risk Governance, and Balanced Incentives. Recommendations for Strengthening Risk Management in emerging Market Banks. [online].Available at https://www.ifc.org/wps/wcm/connect/4e887b2e-5999-485e-95b1-428c157cfea6/IFC+Risk+Culture+Governance+Incentives+report.pdf?MOD=AJPERES [Accessed 9th May 2017]

Karega, V., 2017. Bank of Tanzania dispels Islamic bank closure rumours. *The East African News Paper*. [online] Available at: https://www.theeastafrican.co.ke/business/Bank-of-Tanzania-dispels-Islamic-bank-closure-rumours/2560-4207764-42i0ncz/index.html [Accessed 3rd December 2018].

Kasule, F., 2017. Ex- Bank manager convicted over sh4.6b theft. *The New Vision News Paper*. [online] Available at: https://www.newvision.co.ug/new_vision/news/1454473/-equity-bank-manager-convicted-sh46b-theft [Accessed 18th December 2018].

KPMG, 2015. More effective risk culture in banking. [online] Available at: https://home.kpmg.com/be/en/home/insights/2013/09/more-effective-risk-culture-banking.html

KPMG, 2015. More effective risk culture in banking. Pg-1[online] Available at: https://home.kpmg.com/be/en/home/insights/2013/09/more-effective-risk-culture-banking.html

Lagarde, C., 2015. The Role of Personal Accountability in Reforming Culture and Behavior in the Financial Services Industry. *Speech at Federal Reserve Bank of New York Conference*. [online]. Available at: https://www.imf.org/en/News/Articles/2015/09/28/04/53/sp110515 [Accessed 4th December 2017].

Marchat, G., 2016.Risk culture and supervision: beyond the box-ticking exercise, striving for fair balance. [online].Available at http://financialservices.mazars.com/risk-culture-and-supervision-beyond-the-box-ticking-exercise-striving-for-fair-balance/ [Accessed 27th September, 2017].

Murphy, P., 2012. Understanding Risk Appetite. [online]. Available at https://www.kpmg.com/CN/en/IssuesAndInsights/ArticlesPublications/Documents/Risk-appetite-O-200806.pdf . [Accessed 16th March 2017]

Nyberg, L., 2011.Misjudging Risk: Causes of the Systemic Banking Crisis in Ireland, Ministry of Finance, Dublin. [online] Available at http://www.bankinginquiry.gov.ie/Documents/Misjuding%20Risk%20-%20Causes%20of%20the%20Systemic%20Banking%20Crisis%20in%20Ireland.pdf [Accessed 21st May 2018]

Oprescu, S., 2016. Risk Culture: Old and new challenges. [online] Available at: https://www.sibos.com/media/news/risk-culture-old-and-new-challenges *[Accessed 20th December 2017]*

Organisation for Economic Co-operation and Development (OECD), 2014 Risk Management and Corporate Governance. [online] Available at http://www.oecd.org/daf/ca/risk-management-corporate-governance.pdf [Accessed 5th November, 2017]

PricewaterhosueCoopers (PWC), 2010. Developing a strong risk culture. [online]. Available at: https://www.pwc.com/gx/en/banking-capital-markets/pdf/developing-strong-risk-culture.pdf [Accessed 16th November 2017].

PricewaterhouseCoopers (PWC), 2011. Building a risk-aware culture for success. [online] Available at: http://bobsemple.ie/wp-content/uploads/2016/06/Building-a-risk-aware-culture-for-success.pdf [Accessed 19th March 2017].

PricewaterhouseCoopers (PWC), 2014. Cure for the Common Culture. How to build a healthy risk culture.[online] Available at https://www.pwc.ie/publications/2015/fs-viewpoint-cure-for-the-common-culture.pdf [Accessed 16th May, 2017]

PricewaterhouseCoopers (PWC), 2014.Cure for the Common Culture: How to build a healthy risk culture. [online] Available at: https://www.pwc.ie/publications/2015/fs-viewpoint-cure-for-the-common-culture.pdf

PriceWaterHouseCoopers (PWC), 2016. Risk Culture. [online]. Available at: https://www.pwc.com/ca/en/risk/publications/pwc-risk-culture-2016-06-en.pdf [Accessed 15th May 2017]

Protiviti, 2014 Establishing and Nurturing an Effective Risk Culture. Enabling the Chief Risk Officers Success. [online] Available at https://www.protiviti.com/sites/default/files/united_states/insights/cro-series4-establishing-and-nurturing-an-effective-risk-culture-protiviti.pdf [Accessed 23rd November 2017]

Risk Management Association (RMA) and Protiviti, 2013. Risk Culture: From Theory to Evolving Practice. [online]. Available at: www.rmahq.org/File%20Library/ERM/RMA-Journal-Risk-Culture-article.pdf. . [Accessed 17th July 2017]

Roslan, A. and Dahan, M.H., 2013. Mediating effect of enterprise risk management practices on risk culture and organisational performance. Proceeding of the World Conference on Integration of Knowledge. [online]. Available at: https://worldconferences.net/proceedings/icssr2013/toc/092%20-%20AZREEN%20-%20Mediating%20Effect%20of%20Enterprise%20Risk%20Management%20Practices%20on%20Risk%20Culture%20and%20Organizational%20Performance.pdf. [Accessed 3rd September 2018]

Rossi, C., 2018. Reflections on the Financial Crisis: The People Factor. [online]. Available: at https://www.garp.org/#!/risk-intelligence/operational/all/a1Z1W000003I [Accessed 4th January 2018]

Sants, H., 2010, Can culture be regulated? Speech at Mansion House Conference on Values and Trust, Financial Services Authority, London, 4 October 2010. [online] Available at: http://www.fsa.gov.uk/library/communication/speeches/2010/1004_hs.shtml . [Accessed 14th May 2017]

Securities and Exchange Commission (SEC), 2008. "SEC Finalizes ARS Settlements With Citigroup And UBS, Providing Nearly $30 Billion in Liquidity to Investors". [online].Available at: http://www.sec.gov/news/press/2010/2008-290.htm. [Accessed 17th November 2017]

Stewart, J. B., 2012. For USB, a Record of Averting Prosecution .*New York Times*. [online]. Available at: www.nytimes.com/ [Accessed 17th November 2017].

Thackeray, J., 2013. Culture Risk: Why We Need Independent Evaluation and Audit. [online] Available at: http://www.garp.org/#!/risk-intelligence/culture-governance/conduct-ethics/a1Z1W000003rD0bUAE [Accessed 18th December 2017].

The Institute of Risk Management (IRM) 2012, Risk Culture Under the Microscope Guidance For Boards. [online] Available at: https://www.theirm.org/media/885907/Risk_Culture_A5_WEB15_Oct_2012.pdf [Accessed 15th July 2017].

The Institute of Risk Management, 2002. .A risk Management Standard. [online] Available at https://www.theirm.org/media/886059/ARMS_2002_IRM.pdf [Accessed 4th June , 2018.[

Unterrheiner, S., 2017. The Importance of Risk Culture to your Risk Management Structure. [online]. Available at: http://www.genre.com/knowledge/blog/the-importance-of-risk-culture-en.html [Accessed 13th May, 2017].

Walker, P.L et al., 2014. A risk challenge culture. [online]. Available at https://www.accaglobal.com/content/dam/acca/global/PDF-technical/corporate-governance/pol-tp-arcc.pdf. [Accessed 20th November 2017]

Waxman, I., 2017. Corporate Culture and Risk Management. [online] Available at https://www.riskmanagementmonitor.com/corporate-culture-and-riskmanagement/ [Accessed 3rd November 2018]

Reports

Bank of Uganda, 2016. *Annual Supervision Report*. Issue No 7

Institute for International Finance (IIF), 2009. *Reform in the Financial Services Industry: Strengthening Practices for a More Stable System: the Report of the IIF Steering Committee on Implementation (SCI)*. Washington D.C: IIF Press

KPMG, 2010. Global Audit Survey

Nigeria Deposit Insurance Corporation (NDIC), 1994. *Annual Reports*. Lagos: Nigeria Deposit Insurance Corporation

Office of the Auditor General, 2016. Report on financial performance of Post Uganda Limited

Power, M. et al., 2013. *Risk Culture in Financial Organizations: A Research Report*. London: London School of Economics.

Sheedy, E., and Griffin, B., 2014. *Empirical Analysis of Risk Culture in Financial Institutions: Interim Report*. Sydney: Macquarie University

Dissertations

Bostanci, O., 2013. *Presentation of a Risk Culture Framework and Assessment of Risk Culture at Garanti Bank, Turkey*. Stockholm: Project Management and Operational Development MSc. Programs, Kungliga Teknisha Hogskolan: Stockholm.

Charleton, B., 2010. *The Relationship between Organizational Culture and Enterprise Risk Management in banking industry*. Published Dissertation from The University of Alabama in Huntsville.

Geessink, L., 2012. *Enterprise risk management and bank performance during a financial crisis.* Master Thesis .University of Twente.

Gutshwa, B.H., *Risk culture in a South African government institution*. Master's Thesis. North West University

Messmer, B., 2011.*The extent and causes of voluntary disclosures of risk information and performance of financial banks in developing countries: An exploratory study*'. Published Doctoral Dissertation, Harvard University.

Paalanen, A., 2013. *Risk Culture–A Descriptive Model*. Master's Thesis Aalto University School of Business

Schoenfeld, D., 2013. *Organisational Risk Culture: Differences between Managerial Expectations and Employees' Perception* .PhD Thesis. University of Gloucestershire.

Tanden, R., 2011.*Relationship between organizational culture, job satisfaction and risk management process in banking sector in Hong Kong*. MBA Dissertation. The University of Hong Kong.

Wong, S.P., 2012. *The impact of culture on risk management disclosures: an exploratory study of international banks*. PhD Thesis Southern Cross University.

Laws/ Standards

Basel Committee on Banking Supervision (BCBS), 2011. *Principles for the Sound Management of Operational Risk.* Basel: Bank for International Settlements

Financial Reporting Council, 2011. *Developments in corporate governance 2011: the impact and implementation of UK corporate governance and stewardship.* London: Financial Reporting Council

ISO 31000, 2018. *Risk Management Principles and Guidelines*. Basel: International Standards Organisation.

Standard and Poor's, 2012. *Methodology: Assessing Management's Commitment To and Execution of Enterprise Risk Management Processes.*

The Financial Institutions (Amendment) Act, 2016

APPENDICES

Appendix I: Consent Note

CONSENT FORM FOR KEY INFORMANTS INTERVIEWS

I hereby agree to freely participate in this research study about the effect Organisational Culture in the Risk Management. A Case study of Post Bank Uganda Limited without duress, threat or undue influence. I understand the brief content and purpose of the study as explained by the researcher. I will have to attend to an interview session as administered by the researcher. The participation to the study is not a rigid mutual contract therefore I may withdraw my participation at any point on my own wish. I also appreciate the fact that my participation will remain confidential; my personal identity will not be exposed nor used except after my consent. The participation in study will not pose any harm or risk to myself, office and the bank.

Researcher's Name: Napoko Joseph Paul

Email: npknandaah@gmail.com

Tel: +256778059397

Signature of the participant

Date………………………………..

Appendix II: Interview Guide

Interview Guide.

General. Salutation of the individual participant

1. What kind of innovative solutions has the bank created to manage risk?
2. Could you please state the policies the bank has developed to manage risk?
3. Do you think the organisation values on risk management are clearly understood?
4. In what ways has the bank ensured that it upholds integrity among staff?
5. What efforts has the bank undertaken to make sure it prioritises its customers?
6. Do you think there is collective decision making towards risk management?
7. How does the bank emphasize performance to make sure employees achieve the set goals?
8. What systems has the bank put in place to make sure it can easily identify risks?
9. What are the risk reporting procedures in the bank?
10. How has the bank been able to evaluate the risks it faces?

Thank you very much for participation in the study

Appendix III: Self- administered questionnaire

Dear Respondent,

I am an MBA student of Uganda Martyrs University, conducting a study titled “the effect of Organisational Culture on Risk Management. A case study of Post Bank Uganda Limited”. I kindly request you to take a few minutes of your time to respond to the questions and your response will be treated with utmost confidentiality. This information is purely for **academic purpose**s and your co-operation is valuable to the success of this study.

SECTION A: DEMOGRAPHIC INFORMATION (Please tick √ where appropriate)

1- What is your Gender?

Male ☐ Female ☐

2- Age bracket (years)?

21 years < 30years ☐ 31years < 40 years ☐ 41 years < 50 ☐

51 years < 60 years ☐

3- Education Qualifications

Diploma ☐ Degree ☐ Master’s degree ☐

4- Duration of Service at Post Bank Uganda Limited.

Less than a year ☐ Between 1 year and 5 years ☐ Above 5 years ☐

SECTION B: NON-DEMOGRAPHIC INFORMATION

The following questions aim at finding out the Effect of Organisational Culture on Risk Management, a case study of Post Bank Uganda Limited. Please use the following scale in order to give your response: - 1(Strongly disagree) 2(disagree) 3(Not sure) 4(agree) 5(strongly agree). **(**Please tick √ where appropriate)

ORGNISATION CULTURE

S/N	Scenarios	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
	Attributes of artifacts in the banking institution.					
C1	The bank creates innovative solutions to manage risks.					
C2	The bank captures customers’ information.					
C3	The analytics procedures uncover trends in the bank.					

C4	The bank provides personalized advice on identified risks.					
C5	It is easy to detect trigger events in the risk management cycle.					
C6	The bank has clear policies of managing risks.					
C7	The organisation core values on risk management are clearly understood.					
C8	It is easy to establish proficiency standards required to manage risks.					
C9	The bank has developed initiatives / training programs to manage risks.					
Attributes of values in the banking institution						
E1	There is high level of integrity in this bank.					
E2	The bank emphasizes employee team work to support efficiency.					
E3	The employees are committed to work towards achievement of bank set targets.					
E4	The bank emphasizes respect amongst all staff.					
E5	The bank encourages excellent performance of tasks.					
E6	There is professionalism amongst staff.					
E7	The bank staff are innovative towards risk management.					
E8	The bank prioritizes customer in the operations.					
Attributes of shared assumptions in the banking institution						
R1	There is collective decision making towards risk management.					
R2	There is equal treatment amongst all staff at the bank.					
R3	The bank emphasizes performance orientation to achieve a common goal.					
R4	Employees are assertive about their rights and demonstrate strong interpersonal competence.					
R5	Employees protect one’s reputation and creditworthiness to achieve desired future set targets.					
R6	Employees have self-critic and self-improving orientation.					

RISK MANAGEMENT

S/N	Scenarios	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
	Attributes of risk management in the banking institution					
	Risk Identification.					
P1	It is easy to identify and frame the credit risk problem in the bank.					
P2	I can forecast the credit default rate at early stage.					
P4	I can identify the risk pertaining bank transactions.					
P5	I can determine the risks in the organisation operation.					
P6	I can use scientific conventions to assess the risk at early stage in the bank.					
	Risk Analysis.					
A1	I can determine the magnitude of risk consequences.					
A2	I can communicate the identified risks at the bank.					
A3	I can forecast on the likely risk injury and damages in an organisation.					
A4	I can describe the identified risk.					
A5	I can provide the data pertaining separation of risk at the bank.					
	Risk Evaluation.					
V1	I can easily evaluate the socio-economic risk in the bank operations.					
V2	I can have social concern on assessment of risk in the banking.					
V3	I can perceive the risks at early stage at the bank.					
V4	I can make vulnerable assessment of risks in the financial transactions in the bank.					
V5	I can estimate the risks in loan performance.					
	Monitoring and Review					
M1	I regularly observe the credit financial risk of the bank.					
M2	I record the activities taking place at the financial activities.					
M3	I can gather information on all aspects of the bank transaction.					
M4	I can separate evaluations and reporting deficiencies in all aspects of the bank transactions.					

ORGANISATION STRUCTURE

S/N	Scenarios	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
	Attributes of organisation structure in Banking institution					
S1	The unit of command within the organisation fosters risk management.					
S2	The chain of command facilitates effective communication.					
S3	There is collective participation on risk management at the bank.					
S4	There are defined risk management roles for bank staff.					
S5	The clear shared vision enhances risk management competencies.					
S6	There is risk management span of control at the bank.					

END