

**PERCEIVED FACTORS THAT AFFECT EMPLOYEES'  
PRODUCTIVITY WITHIN  
REDEEMED INTEGRATED DEVELOPMENT AGENCY**

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## DECLARATION

This research project is my original work and has not been submitted for examination to any other university.

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This research project has been submitted for examination with my approval as the University Supervisor.

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## **DEDICATION**

This work is dedicated to my dear wife Lydia K. N. Mwenda, daughter Rena Makena and son Jeff Kitonga who were always there for me. Sometimes I spent hours doing research at their expense. You are wonderful people. When I count the blessings God has given me, I count you twice. Thank you for your encouragement and support.

## **ABSTRACT**

The objective of this research project was to establish the perceived factors that affect employees' productivity within Redeemed Integrated Development Agency (RIDA). Specifically, the research sought to assess how the working environment in RIDA affects employees' reward & motivation, communication, involvement of employees in decision making and job satisfaction.

This research adopted a descriptive census survey design where the researcher collected data from the entire population, which was then analysed. This design was chosen because the researcher was only involved in identifying the characteristics of the population and how their perception affects their productivity. The researcher further explored possible correlations between perceived factors in working environment and how they affect employees' productivity. The data that was collected was analysed both quantitatively and qualitatively and the results of the analysis were presented in form of charts, graphs and tables. The findings were discussed in efforts to answer the research question. RIDA staff recognize that good working environment is essential in improving the organizations performance, productivity and in attainment of its goals. Effective reward management strategy should be introduced as a matter of urgency to recognize the best performers in the organization. Although there is communication, it is not always and when it is done, the method used is verbal and this is not as effective as it is meant to be. Employees do not get the right message in time and this affects their response to whatever feedback is required. The staff suggested that a participatory management/leadership style should be embraced to motivate them. The following HR practices which are commonly adopted by successful companies should be incorporated in RIDA. They include Employment security, Selective Hiring, Self-managed teams, High compensation contingent on performance, Training, Reduction of status differentials and sharing information.

## TABLE OF CONTENTS

Declaration.....	I
Acknowledgements .....	II
Dedication .....	III
Abstract.....	IV
List of tables.....	IX
List of figures.....	X

### CHAPTER ONE: INTRODUCTION

1.1 Background of Study.....	1
1.1.1 Employee Perception.....	2
1.1.2 Redeemed Integrated Development Agency .....	3
1.1.3 Factors influencing employees productivity.....	3
1.1.4 Employee Productivity .....	6
1.2 Research Problem.....	7
1.3 Research Objective... ..	10
1.4 Value of Study.....	10

### CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction.....	12
2.2 Employee productivity.....	12
2.3 Factors influencing employee productivity.....	16
2.3.1 Reward & Motivation.....	16

2.3.2	Communication.....	19
2.3.3	Participation in Decision making .....	21
2.3.4	Job Satisfaction.....	22
2.4	Conceptual Frame work.....	24
2.5	Interpretation.....	24
2.5.1	Reward & Motivation.....	24
2.5.2	Communication.....	25
2.5.3	Participation in Decision making .....	25
2.5.4	Job Satisfaction.....	25

**CHAPTER THREE: RESEARCH METHODOLOGY**

3.1	Introduction.....	26
3.2	Research Design.....	26
3.3	Population of Study.....	26
3.4	Data collection.....	27
3.5	Data Analysis.....	28

**CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION**

4.1	Introduction.....	29
4.2	Profile of respondents.....	29
4.3	Quantitative Analysis.....	30
4.4	Interpretation.....	31

4.4.1	Reward & Motivation motivation.....	31
4.4.2	Communication .....	34
4.4.3	Participation in decision making.....	35
4.4.4	Job satisfaction.....	37
4.5	Other factors influencing performance & productivity.....	39
4.6	Qualitative Analysis.....	42
4.6.1	Reward & Motivation.....	42
4.6.2	Communication.....	43
4.6.3	Participation in Decision Making.....	43
4.6.4	Job Satisfaction.....	44
4.7	Discussion of results.....	44
4.7.1	Perceived factors affecting employee’s productivity.....	44
4.7.2	Comparison of the study with other studies.....	45

**CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS.**

5.1	Introduction.....	47
5.2	Summary of findings.....	47
5.2.1	Reward and motivation.....	47
5.2.2	Communication.....	48
5.2.3	Participation in Decision Making .....	48
5.2.4	Job Satisfaction.....	48
5.3	Conclusion.....	48
5.4	Recommendations.....	50



5.4.1 Reward and motivation.....	50
5.4.2 Communication.....	51
5.4.3 Participation in Decision Making .....	51
5.4.4 Job Satisfaction.....	52
5.5 Suggestions for further Research.....	52
<b>REFERENCES</b> .....	54
Appendix I .....	Questionnaires

## LIST OF TABLES

Table 3.1	Population of RIDA.....	27
Table 4.1	Education Background.....	30
Table 4.2	Reward System in place.....	31
Table 4.3	Reward system is effective.....	32
Table 4.4	Employee motivation.....	32
Table 4.5	Availability of training opportunities.....	33
Table 4.6	Availability of promotion opportunities.....	33
Table 4.7	Effectiveness of communication.....	34
Table 4.8	Appropriate & Timely feedback.....	34
Table 4.9	Clear grievance handling procedure.....	35
Table 4.10	Participation in decision making.....	35
Table 4.11	Involvement in decision making is excellent.....	36
Table 4.12	Joint consultative meetings.....	36
Table 4.13	Job Satisfaction.....	37
Table 4.14	Job evaluation done often.....	37
Table 4.15	Work is challenging & quantity is okay.....	38
Table 4.16	Career advancement opportunities.....	38
Table 4.17	Other factors influencing performance & productivity.....	39
Table 4.18	Benefits that favour performance & productivity .....	40
Table 4.19	Role ambiguity and/or conflicts.....	41
Table 4.20	Working environment, performance & productivity .....	42

**LIST OF FIGURES**

	Page
Figure 3.1 Conceptual framework.....	24
Figure 4.1 Date of entry into the organization.....	29
Figure 4.2 Clear terms of reference.....	41

# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the study

Employees' productivity is the heart and soul' of any organization. Any successful business knows much of its success is due to diligent workers with excellent productivity. Employees who put forth extra effort often make a big difference in company profits. The employees who do only what the job duties require, and no more, can stymie the progress of a company. Increasing productivity is one of the most critical goals in business. Unfortunately, it's an activity seldom accepted by Human Resource professionals as a legitimate mandate. While most Human Resource professionals acknowledge that their job entails establishing policy, procedures, and programs governing people management, few attempt to connect such elements to increasing employee output (volume, speed, and quality) in terms of revenue per employee. It is important to motivate all employees to reach their full potential and maximal their level of productivity. Companies that recognize and encourage increased productivity are likely to be more successful than their counterparts that don't (Sahay, 2005).

Kauno (2005) says productivity is important because it allows the business to be more cost effective. The more output a business has for a specific cause, the cheaper it is to produce the product. This in turn allows the business to have a higher profit. Productivity on the part of employees is important because getting your job done will help the company's growth. If the company grows and progresses, profits will increase. If profits in the company increase, not only will the bosses be happier but they will hire more people and give raises to those doing a good job and increase benefits for them. If employees are shareholders in the company they will win even

more benefits since their shares will be worth more and they will have a nice nest egg when they retire. Productivity is good for everyone and important for a company's survival.

### **1.1.1 Employee perception**

Kreitner and Kinicki (2007) stated, “Perception is a cognitive process that enables us to interpret and understand our surroundings”. When employees are evaluating their roles in the workplace, their perceptions of these roles may lead to either an increase or decrease productivity. Whether they develop positive or negative perceptions of their roles in the workplace may lead them to feel valuable, like the make a difference in the workplace, or invaluable and unimportant to the workplace. These varying perceptions are an extremely important concept for managers to understand in order to keep production up and even increase productivity. Managers must not only understand employees’ perceptions of their roles in the workplace, they must also be able to recognize the significance of these perceptions in order to meaningfully interact with employees and encourage them, therefore increasing overall productivity (Kreitner & Kinicki, 2010).

Issues, managerial activities and organizational processes are all affected by an employee’s perceptions developed from their observations and interpretations of managers and their decisions based on how they affect them. If managers are known and recognized to be positive and encouraging this will influence employees in a positive way, and vice versa. Understanding these perceptions and using them to their advantage, managers are able to alter employees’ perceptions of their treatment, equality, value, potential, and overall role in the workplace, again therefore influencing productive behavior and increased productivity.

### **1.1.2 Redeemed Integrated Development Agency (RIDA)**

Redeemed Integrated Development Agency (RIDA) is a development initiative of Redeemed Gospel Church (RGC) established in 1978. It started as a social programme responding to emergencies in Mathare spreading to Korogocho areas and Huruma in later years. The purpose of the initiative was to express God's love and address the physical needs of poor people in the community, especially women and children. R.G.C believes in holistic approach to development. Hence its involvement in both pastoral and development work. From a small social unit in 1978, RIDA has grown to a large development program housing four departments, namely: social work, health, vocational training and schools. It has 108 staff headed by a programme director and governed by a Programme Committee reporting to the Executive Board of RGC.

### **1.1.3 Factors influencing employee productivity**

Knowing what factors influence productivity is a prerequisite to improving performance. Over the years, researchers have found that productivity is affected by relatively few influencers, and workers are generally aware of what those influencers are (Armstrong, 2006; Clawson & Newburg, 2005; Hankin, 2004; Newstrom & Bittel, 2002; Williams, 2003). Identification of the specific productivity limiters operative in a workplace can yield opportunities for significant productivity gains in the organizations. From the past into the 2000s, the research into workplace productivity has resulted in consistent indicators. Koretz (1995) cited four key productivity factors: "inadequate supervision and employee involvement in decision-making, too much work, and insufficient rewards and chances to advance". Leonard (2000) noted surveys indicating that less organizational bureaucracy, a greater sense of purpose, effective communication, clear goals, and being able to see results were essential to productivity.

Early researchers and writers discovered that a limited number of factors had the most impact on the productivity of workers. Fleishman (1973) identified two primary dimensions of leadership behavior: “initiating structure” and “consideration” Initiating structure involves the extent to which the leader organizes and defines group relationships, establishes communication channels, and specifies methods for job accomplishment. Consideration involves the degree of mutual trust, respect, and warmth between the leaders and followers. Fleishman noted that consideration can be best described as “the tolerance of the leader for two-way communications with the followers” (p. 8). The work of these early researchers led to similar insights by more recent scholars and popular writers. The leadership role in workplace productivity was further emphasized in the 1980s. In their best-selling book, *In Search of Excellence*, Peters and Waterman (1982) emphasized the role of leadership in guiding an organization toward success. The authors noted, “what we found was that associated with almost every excellent company was a strong leader (or two) who seemed to have had a lot to do with making the company excellent in the first place”. According to Peters (1987), to gain the greatest performance, employees should be closely involved in all aspects of the organization’s operations. He said, “Involve everyone in everything”.

Echoing both Taylor and Peters, Creech (1994) advocated fully involving subordinates in organizational changes. He submitted that centralized control within an organization generally leads to failure and suboptimal performance. His mantra was “organize small to win big”. More recently, Longenecker and Leffakis (2002) found that one overriding factor resulted in improved productivity in the modern workplace. They found that white-collar productivity improvement requires effective leadership on a variety of fronts. Their conclusion is that leadership seems to be the single most influential factor affecting productivity in today’s workplace. The Society for Human Resource Management found that poor management was the primary cause of low

productivity (St. Charles County Business Record, 2005). An *HR Focus* (Human Resource Zeroes in on Productivity, 2005) study cited “streamlining procedures and improving communications” as central to productivity improvement. Pomeroy (2006) indicated that “inefficient planning of work and organizational structure by management” followed by “poor management leadership in demonstrating and leading change” are the two greatest obstacles to productivity in U.S. corporations.

From the continuous quality improvement movement, Juran made a concrete connection between quality improvement and productivity improvement: “Thus the improvement in quality results directly in an increase in productivity” (Gryna, Chua, & DeFeo, 2007). Deming’s approach to total quality management showed direct impact on productivity enhancement as well. Among Deming’s 14 points are key elements to improve productivity, including institute training and retraining, institute leadership, break down barriers between staff areas, and drive out fear (Walton, 1986). The point about fear received special emphasis by Deming. “The economic loss from fear is appalling” (Walton, 1986). Deming described the effect of fear on worker performance. “Fear takes a horrible toll. Fear is all around, robbing people of their pride, hurting them, robbing them of a chance to contribute to the company”. Ryan and Oestreich (1991) also described how fear impacts productivity noting that workers may begin to show the following traits: lack of extra effort; making and hiding mistakes; missing deadlines and budgets; poor problem-solving and work methods as well as a loss of creativity, motivation, and risk taking.

#### **1.1.4 Employee productivity**

The origin of productivity management is deeply rooted in the context of mass production therefore issues of productivity are mainly analyzed in this sphere. This may be the main reason for the



prolonged neglect of the productivity issues in the sphere of service. Service organizations are recognized as the largest and fastest-growing segment of the economy in the world (Sahay, 2005). Productivity shows whether the activity of an organization is efficient and effective. Though the terms like productivity, efficiency and effectiveness are used together and practitioners sometimes alternate their meanings, however we must not identify productivity with efficiency and/or effectiveness. Productivity requires both efficiency and effectiveness, because a certain activity will not be productive if it is only efficient, but not effective, or effective, but not efficient (Koss, 1993).

Organizations that deliver service must broaden their examination of productivity from the conventional organization-oriented perspective, including employee productivity to a dual organization – customer perspective. This broadened approach can help reconcile conflicts between improving service quality and boosting productivity (Sahay, 2005). According to Parasuraman (2002), customers are often involved into activity of an organization providing some amount of input in the form of time, physical effort and mental energy. Employee productivity is the amount of goods and services that an employee produces in a given amount of time. It is one of several types of productivity that economists measure. It can be measured for a firm, a process, an industry, or a country. It is often referred to as labor productivity because it was originally studied only with respect to the work of laborers as opposed to managers or professional. It refers to the utilization of available, scarce resources to give maximum output. “A poor supervisor is definitely the No. 1 factor that causes low productivity,” (Barry 2007), Employees who do not have a direct connection with the company begin to lose all the reasons for wanting to do that little bit extra and take the additional time to make something right.” Happy employees are productive employees. Negative attitudes can torpedo employee productivity in a very short time. “An employee with a

positive attitude usually enjoys the work that they do and feels empowered and recognized for their contributions,” said Henning. “An employee that is complacent and does not really enjoy their work, but is simply there for a paycheck usually does not produce at a high level, develops a bad attitude and generally drags a team down”.

## **1.2 Research Problem**

Tangen (2002) argues the term productivity clearly has a profitability component, but profitability is strongly influenced by the prices a company pays for its input and receives for its output. If a company can recover more than the cost of its input from rising prices for its output, its profitability can be increased even in times when its productivity is decreasing. That is also a strong argument for productivity being expressed in physical units (in quantities) instead of monetary units. However, profitability as a performance measure mainly addresses shareholders as the interest group and many researchers therefore claim that using monetary ratios as productivity measures will result in several shortcomings, for instance, induce short-termism and discourage the customer perspective. Profitability can change for reasons that have little to do with productivity, such as inflation and other external conditions that may bear no relationship to the efficient use of resources. Miller (1984) argued that productivity is a more suitable measure to monitor manufacturing excellence in the long run rather than profitability, since profits are influenced by many factors in a short-term perspective. Employee productivity is the amount of goods and services that an employee produces in a given amount of time. It is one of several types of productivity that economists measure. It can be measured for a firm, a process, an industry, or a country. It is often referred to as labor productivity because it was originally studied only with

respect to the work of laborers as opposed to managers or professional. It refers to the utilization of available, scarce resources to give maximum output.

The working environment in RIDA is quite friendly and warm. However the workers experience delayed services e.g. salary payments, lack of essential benefits like medical cover and lack of overtime compensation. This makes the staff concerned to be less efficient, less productive and very dissatisfied. It also contributes to lack of commitment strategy by the entire staff fraternity. According to Arthur (1990, 1992, 1994) firms with a high commitment strategy have significantly higher levels of both productivity and quality than those with a control strategy. RIDA management has provided medical insurance cover for some of her employees. Sometimes payment of salaries is done fairly and promptly. This makes the workers' standard of living reasonable and less stressed by the payment of their bills. The project management committee has included some members of the staff in their board meetings so as to involve them in decision-making but this is at a lower level. Again not all workers get pension because the organization relies on donor funds and most of them say that the pension is the responsibility of the local partner who happens to be RIDA. This organization is therefore not able to treat her employees equally. It is this reason that one can find many staff dissatisfied and demotivated. RIDA also does not have a Human Resource department and no performance management system in place.

Recent studies which have been undertaken on employee productivity and similar fields include Kinoti, (2009) undertook a study on "Perceived relationship between motivation practices and employee productivity in Kenya commercial bank (kcb) limited" and found out that employee productivity was highly correlated to compensation and conducive working environment. Muturi (2008) researched on Factors influencing staff turnover at Jertec Junior academy in Nairobi and

established that teachers would leave because of insufficient pay, working hours, too much overtime, amount of work, working conditions, problems with management, lack of career advancement and Terms of service. Furthermore indications were that the majority of the staff would leave because of Training and development, Contracts and Pay, Working Environment, Substandard Equipment and tools and Management. Katua (2012) researched on Factors affecting the productivity of employees in manufacturing firms in Nairobi and established that that raw material quality, job satisfaction, machine maintenance and high employee turnover significantly affect the overall productivity of a firm.

These studies have focused on different sectors of the economy other than the Faith Based/NGO sector which have different environments and different challenges to deal with. The researcher is not aware of any studies done on the Faith based organizations/NGOs. The study therefore intends to fill the gap by establishing the perceived factors in working environment that affect productivity of employees within Redeemed Integrated Development Agency (RIDA).

### **1.3 Research objective**

To establish the Perceived Factors that affect productivity of employees within Redeemed Integrated Development Agency.

### **1.4 Value of study**

The assumptions underpinning the practice of Human Resource Management are that people (employees) are the organization's key resource, and organizational performance largely depends on their productivity. If, therefore, an appropriate range of Human Resource policies and processes are developed such that they are tailored to improve working environment of firms, Human Resource will make a substantial impact on firm's performance.

The results of this study will enable the organization's policy makers evaluate the impact of working environment. The management will appreciate both the positive and the negative effects that working environment can have on the productivity of the organization's employees hence her performance.

The study will also enable the researcher know and understand other reasons that are attributed to productivity of employees in organizations. The researcher will also know the measures that FBOs have adapted to improve their working environment.

The results of this study will help establish whether lack of Human Resource department and its practices can be attributed to lack of awareness about the role and importance of it in FBOs or lack of regard for the same.

The study will give the donors and all other stakeholders' confidence to continue ejecting finances and their efforts respectively since their objectives will be realized once the staff feel motivated. The faithfuls will also feel encouraged to identify themselves with the programme including giving their resources more towards the implementation of the programme's activities once they realize the performance is better.

It will also ascertain the reasons why, however RIDA management considers HRM department important, they have not established such department in their organization. The study will seek to determine whether those reasons can be overcome in one way or another in order to establish such a department.

Holding all other factors constant, the study will attest whether the top management of RIDA would appreciate and adapt a Human Resource Department.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter evaluates and relates other work previously done by other researchers and writers on working environment and probably its relationship with employees' performance and/or productivity.

### **2.2 Employee productivity**

Every employee in an organization has his/her own work psychology, they have their own style of working, and there are different set of factors, which influence them and their productivity. As a manager one has to deal with each of them in a different manner and bring the best out of them. Douglas McGregor in his book, "The Human Side of Enterprise" published in 1960 has examined theories on behavior of individuals at work, and he has formulated two models which he calls Theory X and Theory Y. According to McGregory, theory X is for the employees, who are lazy, don't want to work, but are talented. Theory Y is for the employees, which want to work for self-fulfillment; given the right guidance they will perform well. In the first scenario, Theory X, it is very important for a manager to create a structured environment, so as to get the work done from the employees. There may be lack of trust in this situation therefore the manager would keep a close track on the employee's activity.

However, in the second scenario, Theory Y, a manager just needs to show the right direction to the employee and they will automatically perform well. This actually boosts the level of trust between the manager and his team. McGregor proposed that a manager's outlook impacts the productivity

and performance of an employee. Their intervention will shape the employee's working style. The Managers gets access to individual work visibility in form of objective work facts and employees get a mirror image of their daily activities. The Managers act upon the data they receive and can intervene wherever it is required for Y type of employees. Similarly X type of employees can analyze their daily work and set goals for self-improvement.

The overarching objective of Human Resource Management is to contribute to the achievement of high levels of organizational performance. The integration of Human Resource and business strategies should generally focus on this. Intangible assets such as motivation, skill rewarding, competence, Human Resource approaches, appraisal systems, employee relations and social interaction between people including team building forums are increasingly seen as key sources of strength in those organizations that combine people and processes. This echoes the resource-based view of the firm, which states that 'distinctive human resource practices help to create the unique competencies that determine how firms compete' (Capelli and Crocker-Hefter, 1996).

Taylor (1998) found that four key principles could be applied to dramatically improve workplace productivity. Taylor's principles advised managers to systematically design each job, scientifically select and train the workers, cooperate closely with the workers and divide the work and responsibility equally between the worker and management. Other studies focused on the premise that the quality of leadership directly affects productivity. Productive and performance related HR practices can only work if they positively induce discretionary behaviour once basic staffing requirements have been met. This discretionary behaviour is more likely to occur when they feel motivated to do so and/or when they gain high levels of job satisfaction. This is to say even if the



employees have been given freedom to make their own decision without any interference; they may not if their attitude to work is negative.

Commitment, motivation and job satisfaction, either together or separately, will be higher when people positively experience the application of Human Resource policies concerned with creating an able workforce, motivating valued behaviours and providing opportunities for participation. The experience of success seen in performance outcomes helps reinforce positive attitudes. What Guest et al (2000) said after doing an analysis that sampled some 2,000 workplaces and obtaining the views of about 28,000 employees that a strong association existed between Human Resource Management and both employee attitudes and work place performance can be true for and in many organizations. However attitudes that lead to relations, which create a climate in which productive and harmonious relationships can be maintained through partnerships between management and employees, and teamwork cannot flourish unless organizations do the following. First they need to introduce high commitment management practices, which recognize that employees are valued members of the organization and help to develop a climate of cooperation and mutual trust through good communications. Secondly, they should provide employees with a 'voice', which enables them to have a say in and therefore an influence over decisions.

Performance goals can be achieved with the help of high performance work systems, which take into account the factors affecting individual performance and promote flexibility. They also include 'rigorous recruitment and selection procedures, performance-contingent incentive compensation systems, and management development and training activities linked to the needs of the organization in question' (Becker et al, 1997). 'Productivity is influenced by employee motivation

while financial performance is influenced by employee skills, motivation and organizational structures' (Huselid, 1995). As Purcell et al (2003) remark, after a longitudinal study of 12 firms to establish how people management impacts on organizational performance is that 'the most successful organizations had what the researchers call 'the big idea'. The organizations that had a clear vision and a set of integrated values, which were embedded, enduring, collective, measured and managed.

Clear evidence existed between positive attitude towards Human Resource policies and practices, levels of satisfaction, motivation and commitment, and operational performance. Policy and practice implementation (not the number of Human Resource practices adopted) is the vital ingredient in linking people management to organization performance, and this is primarily the task of line managers. Guest et al (2000) doing an analysis that sampled some 2,000 workplaces and obtained the views of about 28,000 employees, showed a strong association existed between Human Resource Management and both employee attitudes and work place performance. The enhancement of motivation and commitment means that Human Resource has to be concerned with what Purcell et al (2003) describe as discretionary behaviour. This refers to the choices that people at work often have about the way they do their job and the amount of effort, care, innovation and productive behaviour they display. Discretionary behaviour is at the heart of the employment relationship, because it is hard for the employer to define and then monitor and control the amount required.

According to Vineet Nayar in his book "Employees first, customers second" (Harvard Business Press, 2010) valuing employees by management is another very important practice that should not

be overlooked. This enhances motivation and commitment by introducing policies and processes that ensure people are recognized, valued and rewarded for what they do and achieve, and for the levels of skill and competence they reach. Employee relations create a climate in which productive and harmonious relationships can be maintained through partnerships between management and employees, and teamwork can flourish. Valuing employees makes them endeavor to add value to the customers and thus contribute to the growth of the enterprises.

### **2.3 Factors influencing employee productivity**

Knowing what factors influence productivity is a prerequisite to improving performance. Over the years, researchers have found that productivity is affected by relatively few influencers, and workers are generally aware of what those influencers are (Armstrong, 2006; Clawson & Newburg, 2005; Hankin, 2004; Newstrom & Bittel, 2002; Williams, 2003). Identification of the specific productivity limiters operative in a workplace can yield opportunities for significant productivity gains in the organizations.

#### **2.3.1 Reward and Motivation**

Rewards for employees act as a source of motivation. Motivated employees work harder. These rewards could be in form of good package, favourable working conditions, review of wages and salaries to promote efficiency. Employees who lack promotion prospects tend to feel undervalued by the Organization which leads to frustrations and eventually low output.

According to Armstrong and Murlis (2004) reward management is concerned with the formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organisation. It deals with implementation and

maintenance of reward processes and practices that are geared to the improvement of Organizational, team and individual performance. According to Koretz (1995), it is good to create total reward processes that are based on beliefs about what the organization values and wants to achieve, reward staff for the value they create, support the development of performance culture, develop a positive employment of a performance culture and facilitate the attraction and retention of the skilled and competent staff the organization needs, thus develop a positive employment relationship and psychological contract. Reward does not only mean monetary but also non-financial rewards like words of affirmation, incentives scheme, recognition, increased responsibility and the opportunity to achieve and grow.

All organizations are concerned with what should be done to achieve sustained high levels of performance through the efforts of people.

This means giving close attention to how individuals can best be motivated through such means as incentives, rewards, leadership and, importantly the work they do and the organization context within which they carry out that work (working environment). The aim is to develop motivation processes and a work environment that will help to ensure that individuals deliver results in accordance with the expectations of management. Motivation theories explain not only why people behave the way they do in their work places in terms of their efforts and the directions they are taking but also describes what organizations can do to encourage people to apply their efforts and abilities in ways that will further the achievement of the organization's goals as well as satisfying their own needs. However, it is absolutely wrong for an organization to assume that one approach to motivation fits all the staff. This is because people have different needs and establish different goals to satisfy those needs. According to Arnold, Robertson and Cooper (1991), there are three

components of motivation. *Direction* – what a person is trying to do, *Effort* – how hard a person is trying and *Persistence* – how long a person keeps on trying.

Motivating other people is about getting them move in the direction you want them to go in order to achieve a result. Motivation according to Michael Armstrong (2002), can be described as goal-directed behavior. According to McGraw (2003) Motivation is a set of attitudes that predisposes a person to act in an inner state that energizes, channels and sustains human behavior to achieve goals. Work motivation is concerned with that attitude that channels a person's behavior toward work and away from recreation or other areas of life. The motivation to work is likely to change as other life activities change. A number of theories have attempted to explain work motivation. The theories differ in their assumptions about how rational people are and about the degree to which the conscious and the unconscious mind direct behavior. Most of these theories have received some research support, but none has been overwhelmingly substantiated.

A manager who can determine what the work motivations of the employees are, will make more effective human resource management decisions. For employees who appear to be work oriented and motivated toward working hard, incentive compensation system will lead to higher productivity and higher quality of work. Those who are consciously motivated to do a better job benefit from performance evaluation techniques such as management by objectives. Motivation is within a person and a manager must infer the individual's motivation or level of motivation, from his or her behavior.

According to Maslow (1954) hierarchy of needs human needs operate at a number of different levels, from basic physiology needs such as hunger, to higher-level needs such as self-development and self fulfillment. Motivating your staff is an essential part of the job of managing people. Recognition

can be an important element of motivation. How a person performs in the future will often be influenced by feedback on the way in which they have performed in the past. By acknowledging the achievements of your staff, and ensuring that they have as much information as possible about the work they do and what is required to do it better, you should be able to increase their motivation to perform well. The working environment in RIDA is quite friendly and warm. It gives workers desire to continue working. However the workers sometime complain of delayed salary payments, lack of essential benefits like medical cover and lack of overtime compensation. This makes the staff concerned to be less efficient hence low productivity. It also contributes to lack of commitment strategy by the entire staff fraternity. According to Arthur (1990, 1992, 1994) firms with a high commitment strategy have significantly higher levels of both productivity and quality than those with a control strategy.

### **2.3.2 Communication**

According to McGraw (2003) Communication is the transfer of information from a sender to a receiver, with the information being understood by the receiver. Communication is important in the function of leading. The purpose of communication in an organization is to effect change to influence action toward the welfare of an organization. Communication is needed to; establish and disseminate the goals of an organization, to develop plans for their achievements, to develop human and other resources in the most effective and efficient way , to select, develop, and appraise members of the organization, to lead, direct, motivate, and create a climate in which people want to contribute and, to control performance.

Managers need information necessary for carrying out management functions and activities. Good communication seldom happens by chance, selecting the most appropriate channel, and choosing proper timing can greatly improve understanding and reduce resistance to change. Organizations are subject to the influence of continuous change which affects the work employees do, their well-being and their security. Change can be managed only by ensuring that reasons for and their implications of change are communicated to those affected in terms which they can understand and accept. After analyzing the response of 968 US firms to a questionnaire and exploring the use of high performance work practices, the development of synergies between them and the alignment of these practices with the competitive strategy, Huselid (1995) concluded that productivity is influenced by employees' motivation; financial performance is influenced by employee skill, motivation and organizational structures. This is true but you may find that some highly skilled people or workers may fail to be efficient and hence less productive by lack of motivation in what they are doing. Sometimes it is also important for the management to effectively communicate with workers so that they hear what bothers the workers.

Lack of effective communication and role ambiguity in RIDA may impair efficiency because the workers can be unsure of their scope when it comes to handling tasks. One of the HR strategies is employee relations. Good employee relations can only be realized by having in place appropriate communication strategies. According to Michael (2002), good communications are required to achieve coordinated results. Good two-way communications are required so that management can keep employees informed of the policies and plans affecting them, and employees can react promptly with their views about management's proposals and actions. Change, no matter how good

it is cannot be managed properly without an understanding of the feelings of those affected by it, and an efficient system of communications is needed to understand and influence these feelings.

### **2.3.3 Participation in decision making**

An environment that lacks employee ‘voice’ is not very healthy for the workers. This is when they are given an opportunity to have a say in management decisions that affect them and their working conditions. A saying goes, ‘if you do it for us without us, then you are doing it against us’. If you implement some change without the input of the employees, no matter how beneficial it is to them, they are likely to feel that you don’t mean well of their welfare. Role ambiguity, lack of involvement in decision-making, Role ambiguity fails to restrict respective employees in their specific assignment therefore gives birth to abnormal idle time hence low efficiency. Low efficiency subsequently causes low productivity in the long run. Koretz (1995) cited three key productivity factors: “inadequate supervision and employee involvement in decision-making, too much work, and insufficient rewards and chances to advance”. Leonard (2000) noted surveys indicating that less organizational bureaucracy, a greater sense of purpose, clear goals, and being able to see results were essential to productivity.

It is always humanly normal to feel ‘outside’ when implementing something that one has not been part of or shared in the planning of the same. When employees receive information of major changes as a surprise, they can resist such changes and in the process become less productive. Health and safety is an issue that affects the workers productivity directly. Healthier workers and/or those who know they are medically covered will be more efficient than those without any medical insurance cover. This is because they will live in apprehension of possible sickness or



disease. Their safety should be guaranteed like provision of risk allowance as they walk in unsafe environment like slums during field work. Recreational facilities for the workers can work miracles if incorporated in the HR planning. It can help to give workers an opportunity to interact with the management hence good employee relations. This will make workers feel valued and also free to say their views to the management.

#### **2.3.4 Job satisfaction**

According to Michael Armstrong (2006), the term 'job satisfaction' refers to the attitude and feelings people have about their work. Positive and favourable attitudes towards the job indicate job satisfaction. Negative and unfavourable attitudes towards the job indicate job dissatisfaction. The level of job satisfaction is affected by intrinsic and extrinsic motivation factors, the quality of supervision, social relationships with the work group and the degree to which individual succeed or fail in their work.

If the Human Resource department does not fully and clearly decide on the content and performance and competency requirements of jobs and roles in order to provide a basis for performance, development and reward, then even those who perform well may feel discouraged due to failure to reward them and so there is no maximizing of intrinsic motivation and job satisfaction. Health and safety is an issue that affects the workers productivity directly. Healthier workers and/or those who know they are covered will be more efficient than those without any medical insurance cover. This is because they will live in apprehension of possible sickness or disease. Their safety should be guaranteed like provision of risk allowance as they walk in unsafe environment like slums during field work

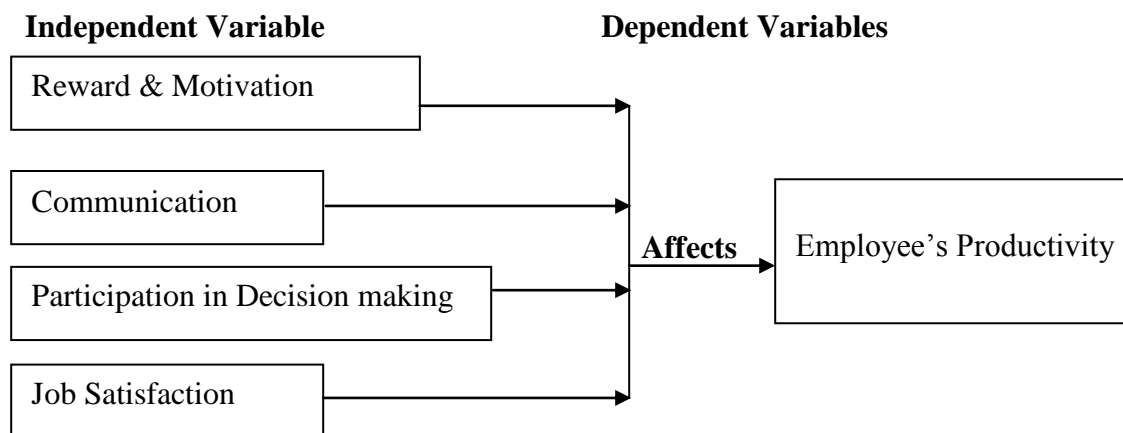
Purcell et al (2003) believe that discretionary behaviour which helps the firm to be successful is more likely to happen when employees are well motivated and feel committed to the organization and when the job gives them high levels of satisfaction. Their research found out that the key factors affecting job satisfaction were career opportunities, job influence, team work and job challenge, However according to Brayfield and Crockett (1955), there was little evidence of any simple or appreciable relationship between employees attitude and their performance. They concluded that ‘productivity is seldom a goal in its self but a means to goal attainment. Therefore we might expect high satisfaction and high productivity to occur together when productivity is perceived a path to certain important goals and when these goals were achieved. Under such conditions satisfaction and productivity might be unrelated or even negatively related.

RIDA management has provided medical insurance cover for some of her employees. Sometimes payment is done fairly and promptly. This makes the workers’ standard of living reasonable and less stressed by the payment of their bills. The project management committee has included some members of the staff so as to involve the workers in decision-making but this is at a lower level. Workers have a well organized Sacco society and a pension scheme. These are very important to workers so that they don’t get worried about their future and the future of their families. RIDA provides opportunities for training and development for workers..

## **2.4 Conceptual Frame work**

The performance of the organization in question will depend on how favourable the working environment will be. The figure below supports this argument.

**Figure 2.1: Conceptual Frame work**



**Source** (developed by the researcher from literature review)

## **2.5 Interpretation**

The above framework (figure 2.1) shows how independent variable affects the dependent variables.

### **2.5.1 Reward and motivation**

The figure above clearly shows it is the working environment that will determine how well motivated or demotivated will the staff be. If employees are well rewarded by being provided with essential benefits, they will feel cared for and that their well-being is a priority hence high morale to work and produce good results. Training opportunities give specific skills for handling specific tasks and increase the capabilities and potential by providing learning and continuous development opportunities.

### **2.5.2 Communication**

It is the working environment that will determine how effective the communication will be not only from the employees to the management, but also from the management to the employees.

### **2.5.3 Participation in decision making**

Does the working environment give room for the workers to take part in decision making, get feedback and get satisfied with their jobs? If yes, then the employees will be involved in decision making. The first and major reason is good relationship between the management and the employees. These will make them deliver as they are ought to because they will feel valued and especially when they are part of any anticipated change in the organization

### **2.5.4 Job Satisfaction**

The working environment directly affects how workers feel about the work they do and the attitude they will have on the same.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter outlines and explains the research design and methodology that was employed by this study, target population, data collection tools and data analysis has been addressed.

### **3.2 Research Design**

This research adopted a descriptive census survey design where the researcher collected data from the entire population, which was then analysed. The data was collected from the three branches of RIDA i.e. Huruma, Mathare and Korogocho. This design was chosen because the researcher was only involved in identifying the characteristics of the population and how their perception affects their productivity. The researcher further explored possible correlations between perceived factors in working environment and how they affect employees' productivity i.e. looking at the situation the way it was. According to Dr. Y.P. Aggarwal (2008) descriptive research is devoted to the gathering of information about prevailing conditions or situations for the purpose of description and interpretation. This type of research method is not simply amassing and tabulating facts but includes proper analyses, interpretation, comparisons, identification of trends and relationships.

### **3.3 Population of Study**

The total number of employees of RIDA is 102. According to C. R. Kothari (2004), population is a total collection of elements and sample is part of such population.

The study did a census of all 102 staff members. This was from all the departments in the programme namely management. Accounts, social work, computer/IT, academy, health, security and subordinates (cleaners and cooks).

**Table 3.1: Population of RIDA.**

<b>Department</b>	<b>Number of Staff</b>
Management	5
Accounts	5
Computer/IT	5

Academy	15
Health Centre	10
Social Work	31
Security	18
Others (Cooks and cleaners)	13
<b>Total</b>	<b>102</b>

**Source:** RIDA Administration office (**June 2013**)

### **3.4 Data Collection**

For the purpose of this study, the researcher used questionnaires as the method of primary data collection. The researcher used “drop and pick” to administer the questionnaires. According to best and Khan (1993), self-administered questionnaires as data collection methods are inexpensive, do not require interviewer time as well as allows respondents to maintain their anonymity and reconsider their responses.

Questionnaires were used because they will give or provide the researcher with detailed individual feedback which will give a picture of the situation as it was.

### **3.5 Data Analysis**

The data was analysed by descriptive statistics which comprised of standard deviations, frequency distribution and percentages and presented using tables and statistical charts. According to C.R. Kothari (2004), the purpose of data analysis is to arrange, make sense of, and reformulate the research data so as to be able to present it in a logical and clear account. The data analysis was

done on the basis of the research objective and the question posed. This was then interpreted, conclusions drawn and recommendations proposed.

## CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

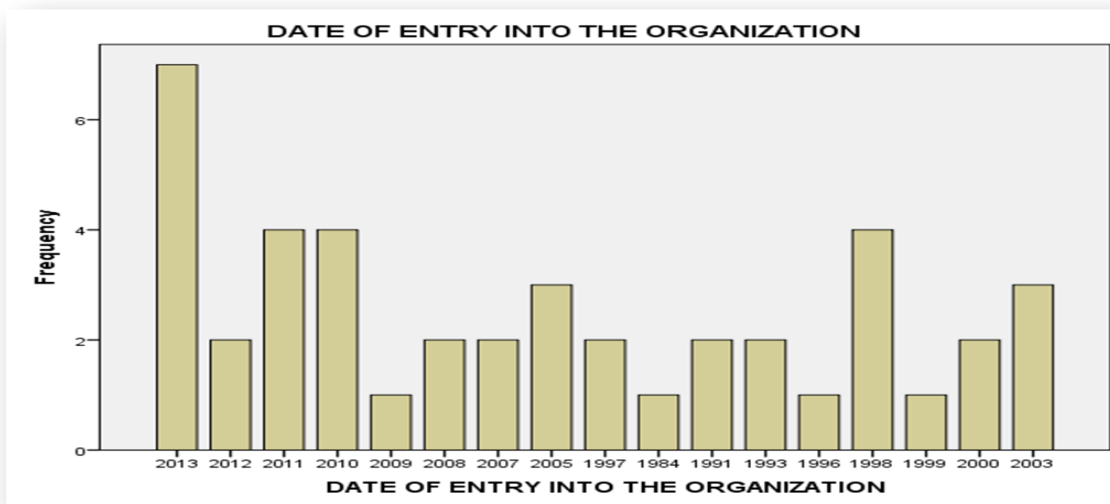
### 4.1: Introduction

This chapter presents the data that was found on perceived factors that affect productivity of employees within Redeemed Integrated Development Agency. The research was conducted among interviewees from Redeemed Integrated Development Agency. 59 questionnaires out of the 102 (total staff members) were returned duly filled therefore representing 57.8% response. Mugenda and Mugenda (1999) stated that a response rate of 50% and above is a good for statistical reporting.

### 4.2: Profile of respondents

The respondents were requested to indicate the period under which they had worked at Redeemed Integrated Development Agency. This information aimed at testing the working experience appropriateness of the respondent in answering the questions regarding the working environment

**Figure 4.1: Date of entry into the organization**



Source (Researcher 2013)

Findings in figure 4.1 above indicates that 30% of respondents had worked at RIDA for 1-3 years, while 70% had worked for 4-29 years; this implies that the respondents had worked for a period



long enough to understand the working environment. This may have a further implication that the staff as a result of the long working period understands what affects their productivity.

This also depicts that the respondents were highly experienced in their respective mandates with high proficiency.

**Table 4.1: Education Background**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid PRIMARY	6	10.2	10.9	10.9
O-LEVEL	8	13.6	14.5	25.5
UNIVERSITY	9	15.3	16.4	41.8
COLLEGE LEVEL	32	54.2	58.2	100.0
Total	55	93.2	100.0	
Missing System	4	6.8		
Total	59	100.0		

Source (Researcher 2013)

According to the response, **74.6 %** of the respondents have reached college level and above while **25.4%** reached primary and O-level. This implies that the respondents had the capacity to give quality response for the purpose of this study.

### 4.3: Quantitative Analysis

The study carried out a census of the total number of staff at RIDA, which is 102 staff drawn from all departments. Out of the out of 102 questionnaires administered only **59** were returned duly completed representing 57.8% response. The data that was collected was analyzed as follows.

### 4.4: Interpretation

The results of the study clearly showed that reward and motivation, communication, participation in decision making and job participation are some of the perceived factors affect the productivity of

employees in RIDA. The percentage response per each of the said factors and their feel on the current situation in RIDA is shown in the quantitative analysis below. It will be found that if reward and motivation are enhanced, communication made clear and effective, employees get more involved in decision making, they will be more satisfied in their jobs and their productivity will definitely be enhanced.

#### 4.4.1: Reward and Motivation

**Table 4.2: There is a reward system in place**  
**THERE IS A REWARD SYSTEM IN PLACE IN THE ORGANIZATION**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	1	1.7	1.9	1.9
	AGREE	12	20.3	22.2	24.1
	NEUTRAL	10	16.9	18.5	42.6
	DISAGREE	22	37.3	40.7	83.3
	STRONGLY DISAGREE	9	15.3	16.7	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, 24.1 % of the respondents agreed that there is a reward system in place while 57.4% disagreed with the statement. However, 18.5% of the respondents decided to be neutral to the statement that there was a reward system in place.

This is interpreted to mean that majority of staff don't think that there is a reward system in place.

If the reward system was in place, this may affect productivity positively.

**Table 4.3: Reward system is effective**  
**THE ORGANIZATION'S REWARD SYSTEM IS EFFECTIVE**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	7	11.9	13.0	13.0
	NEUTRAL	17	28.8	31.5	44.4
	DISAGREE	20	33.9	37.0	81.5
	STRONGLY DISAGREE	10	16.9	18.5	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, 13.0 % of the respondents those who said there was a reward system in place agreed that the reward system is effective, while 87.0% said the reward system was either not effective or remained neutral.

**Table 4.4: Employee Motivation**  
**I FEEL MOTIVATED AS AN EMPLOYEE OF THIS ORGANIZATION**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	9	15.3	15.8	15.8
	AGREE	27	45.8	47.4	63.2
	NEUTRAL	20	33.9	35.1	98.2
	DISAGREE	1	1.7	1.8	100.0
	Total	57	96.6	100.0	
Missing	System	2	3.4		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **63.2 %** of the respondents felt motivated as employees of RIDA while **36.8%** were not motivated. Even though 6 out of 10 staff feel motivated, the management needs to follow up the reasons why 4 out of 10 staff are not motivated

**Table 4.5: Availability of Training Opportunities.**

**THERE ARE TRAINING OPPORTUNITIES AVAILABLE FOR EMPLOYEES IN THE ORGANIZATION**

	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	STRONGLY AGREE	2	3.4	3.6	3.6
	AGREE	24	40.7	42.9	46.4
	NEUTRAL	9	15.3	16.1	62.5
	DISAGREE	14	23.7	25.0	87.5
	STRONGLY DISAGREE	7	11.9	12.5	100.0
	Total	56	94.9	100.0	
Missing	System	3	5.1		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **46.5 %** of the respondents agreed that there are training opportunities in the organization while **53.5%** were in disagreement.

**Table 4.6: Availability of promotion opportunities.**

**THERE ARE PROMOTION SCHEMES IN THE ORGANIZATION**

	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	STRONGLY AGREE	4	6.8	7.1	7.1
	AGREE	15	25.4	26.8	33.9
	NEUTRAL	12	20.3	21.4	55.4
	DISAGREE	16	27.1	28.6	83.9
	STRONGLY DISAGREE	9	15.3	16.1	100.0
	Total	56	94.9	100.0	
Missing	System	3	5.1		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **33.9 %** of the respondents agreed that there are promotion opportunities in the organization while **66.1%** were in disagreement.

#### 4.4.2: Communication

**Table 4.7: Effectiveness of communication.**  
THE COMMUNICATION IS EFFECTIVE IN THE ORGANIZATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	5	8.5	8.8	8.8
	AGREE	26	44.1	45.6	54.4
	NEUTRAL	16	27.1	28.1	82.5
	DISAGREE	9	15.3	15.8	98.2
	STRONGLY DISAGREE	1	1.7	1.8	100.0
	Total	57	96.6	100.0	
Missing	System	2	3.4		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **54.4 %** of the respondents agreed that communication is effective in the organization while **45.6%** disagreed with the statement.

**Table 4.8: Appropriate and timely feedback.**  
I GET FEEDBACK APPROPATELY AND TIMELY

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	2	3.4	3.5	3.5
	AGREE	18	30.5	31.6	35.1
	NEUTRAL	14	23.7	24.6	59.6
	DISAGREE	20	33.9	35.1	94.7
	STRONGLY DISAGREE	3	5.1	5.3	100.0
	Total	57	96.6	100.0	
Missing	System	2	3.4		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **35.1 %** of the respondents agreed that they got appropriate and timely feedback while **64.9%** disagreed with the statement.

**Table 4.9: Clear grievance handling procedure.****EMPLOYEES HAVE A CLEAR GRIEVANCE HANDLING PROCEDURE IN THE ORGANIZATION**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	2	3.4	3.5	3.5
	AGREE	17	28.8	29.8	33.3
	NEUTRAL	18	30.5	31.6	64.9
	DISAGREE	14	23.7	24.6	89.5
	STRONGLY DISAGREE	6	10.2	10.5	100.0
	Total	57	96.6	100.0	
Missing	System	2	3.4		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **33.3 %** of the respondents agreed that there is a clear grievance handling procedure in the organization while **66.7%** disagreed with the statement.

#### 4.4.3: Participation in Decision Making

**Table 4.10: Involvement in decision making.****EMPLOYEES ALWAYS GET INVOLVED IN DECISION MAKING IN THE ORGANIZATION**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	1	1.7	1.9	1.9
	AGREE	10	16.9	18.5	20.4
	NEUTRAL	11	18.6	20.4	40.7
	DISAGREE	20	33.9	37.0	77.8
	STRONGLY DISAGREE	12	20.3	22.2	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **20.4 %** of the respondents agreed that employees always get involved in decision making in the organization while **79.6%** disagreed with the statement.



**Table 4.11: Involvement in decision making is excellent.**  
**INVOLVEMENT IN DECISION MAKING IN THE ORGANIZATION IS EXCELLENT**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	3	5.1	5.6	5.6
	AGREE	6	10.2	11.1	16.7
	NEUTRAL	8	13.6	14.8	31.5
	DISAGREE	19	32.2	35.2	66.7
	STRONGLY DISAGREE	18	30.5	33.3	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **16.7 %** of the respondents agreed that employee involvement in decision in the organization is excellent while **83.3%** disagreed with the statement.

**Table 4.12: Joint consultative meetings.**  
**THERE ARE JOINT CONSULTIVE MEETINGS BETWEEN THE MANAGEMENT AND EMPLOYEES**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	3	5.1	5.6	5.6
	AGREE	12	20.3	22.2	27.8
	NEUTRAL	12	20.3	22.2	50.0
	DISAGREE	21	35.6	38.9	88.9
	STRONGLY DISAGREE	6	10.2	11.1	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **27.8 %** of the respondents agreed that there are joint consultative meetings between the management and employees while **72.2%** disagreed with the statement.



#### 4.4.4: Job Satisfaction

**Table 4.13: Job satisfaction**  
I AM SATISFIED WITH MY JOB AS AN EMPLOYEE OF RIDA

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	6	10.2	11.5	11.5
	AGREE	26	44.1	50.0	61.5
	NEUTRAL	13	22.0	25.0	86.5
	DISAGREE	6	10.2	11.5	98.1
	STRONGLY DISAGREE	1	1.7	1.9	100.0
	Total	52	88.1	100.0	
Missing	System	7	11.9		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **61.5 %** of the respondents agreed that they were satisfied with their jobs as employees of RIDA while **38.5%** were not.

**Table 4.14: Job evaluation done often**  
THE JOB EVALUATION DONE VERY OFTEN IN THE ORGANIZATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	2	3.4	3.7	3.7
	AGREE	22	37.3	40.7	44.4
	NEUTRAL	14	23.7	25.9	70.4
	DISAGREE	9	15.3	16.7	87.0
	STRONGLY DISAGREE	7	11.9	13.0	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **44.4 %** of the respondents agreed that job evaluations are often done in the organization while **55.6%** disagreed with that position.

**Table 4.15: Work is challenging and quantity is okay.**

**I AM OKAY WITH THE QUANTITY OF MY JOB AND ITS CHALLENGING**

	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	STRONGLY AGREE	11	18.6	20.4	20.4
	AGREE	24	40.7	44.4	64.8
	NEUTRAL	6	10.2	11.1	75.9
	DISAGREE	13	22.0	24.1	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **64.8 %** of the respondents agreed that they were ok with quantity of work and that it was challenging. **35.2%** of the respondents disagreed with that position.

**Table 4.16: Career advancement opportunities.**

**THERE ARE CAREER ADVANCEMENT OPPORTUNITIES IN THE ORGANIZATION**

	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	STRONGLY AGREE	3	5.1	5.6	5.6
	AGREE	17	28.8	31.5	37.0
	NEUTRAL	12	20.3	22.2	59.3
	DISAGREE	14	23.7	25.9	85.2
	STRONGLY DISAGREE	8	13.6	14.8	100.0
	Total	54	91.5	100.0	
Missing	System	5	8.5		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **37.0 %** of the respondents agreed that they were career advancement opportunities in the organization. **63.0%** of the respondents disagreed with that position.

### 4.5: Other Factors influencing performance & productivity

The following is an analysis to the open ended questionnaires that gave the respondents an opportunity to say other factors that influence their performance and productivity.

**Table 4.17 Other Factors influencing performance & productivity**

**WHAT OTHER FACTORS DO YOU THINK INFLUENCE YOUR PERFORMANCE AND PRODUCTIVITY**

Source

(Research  
er 2013)

	Frequency	Percent	Valid Percent	Cumulative Percent
EARNING A LIVING	5	8.5	17.9	17.9
GAINING EXPERIENCE	3	5.1	10.7	28.6
RESPECT	1	1.7	3.6	32.1
TRUST	1	1.7	3.6	35.7
TO TOUCH AND CHANGE LIVES OF PEOPLE	4	6.8	14.3	50.0
GOOD COMMUNICATION	3	5.1	10.7	60.7
GOOD WORKING ENVIRONMENT	1	1.7	3.6	64.3
PASSION FOR EXCELLENT	1	1.7	3.6	67.9
FREEDOM TO ENGAGE WITH LEADERS	1	1.7	3.6	71.4
MANAGEMENT SUPPORT	3	5.1	10.7	82.1
TEAM WORK	4	6.8	14.3	96.4
RESPECT	1	1.7	3.6	100.0
Total	28	47.5	100.0	
Missing System	31	52.5		
Total	59	100.0		

**Table 4.18 Benefits that favour performance and productivity**

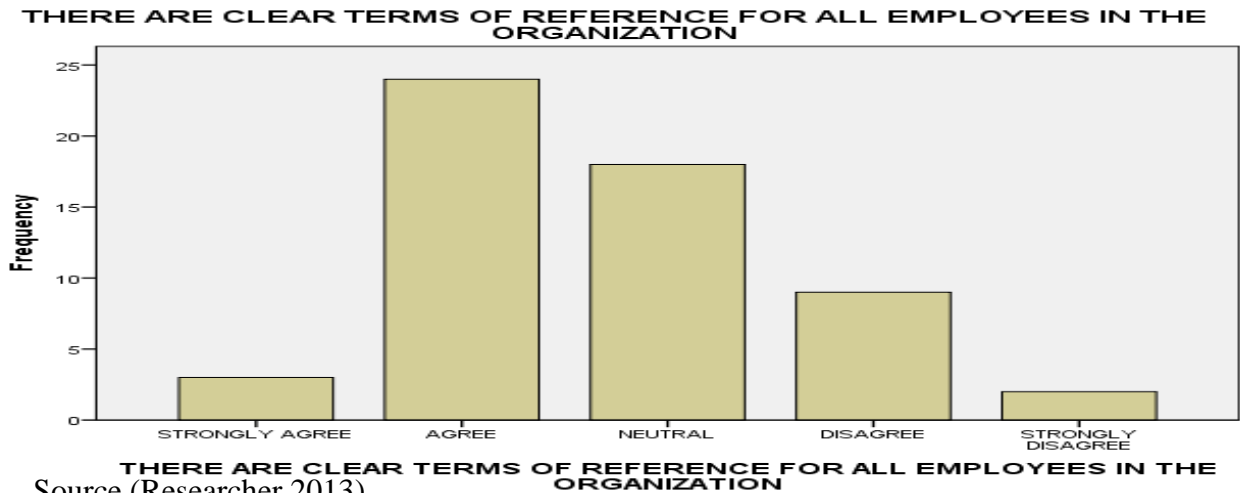
**LIST BENEFITS THAT YOU FEEL IF OFFERED TO YOU BY RIDA WOULD BE IMPORTANT TO FAVOUR YOUR PERFORMANCE AND PRODUCTIVITY POSITELY**

	Frequency	Percent	Valid Percent	Cumulative Percent
TRUST	1	1.7	2.2	2.2
INCREAMENT OF SALARIES	11	18.6	23.9	26.1
MOTIVATION OF STAFF	6	10.2	13.0	39.1
REWARDS	7	11.9	15.2	54.3
TRAINNING OPPORTUNITIES	8	13.6	17.4	71.7
ALLOWANCES	1	1.7	2.2	73.9
TO BE GIVEN TOOLS TO WORK WITH AND WORKING UNIFORMS	4	6.8	8.7	82.6
COUNSELLING	2	3.4	4.3	87.0
SHORT COURSES TO EMPLOYEES	1	1.7	2.2	89.1
PROMOTION OF STAF	3	5.1	6.5	95.7
PAY CONSIDERING THE PROFESSIONAL QUALIFICATION AND OTHER ORGANS	1	1.7	2.2	97.8
OPPORTUNITY TO STUDY	1	1.7	2.2	100.0
Total	46	78.0	100.0	
Missing System	13	22.0		
Total	59	100.0		

Source (Researcher 2013)

**THERE ARE CLEAR TERMS OF REFERENCE FOR ALL EMPLOYEES IN THE ORGANIZATION**

**Figure 4.2 Clear terms of reference**



According to the response, **48.2 %** of the respondents agreed that they were clear terms of reference in the organization. **51.8%** of the respondents disagreed with that position.

**Table 4.19 Role Ambiguity and/or conflicts**

**ROLE AMBIGUITY AND/OR CONFLICTS NEVER OCCUR IN THE ORGANIZATION**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
	AGREE	13	22.0	23.2
	NEUTRAL	10	16.9	41.1
	DISAGREE	29	49.2	92.9
	STRONGLY DISAGREE	4	6.8	100.0
	Total	56	94.9	100.0
Missing	System	3	5.1	
Total		59	100.0	

Source (Researcher 2013)

According to the response, **41.1 %** of the respondents agreed that role ambiguity and /or conflicts never occur in the organization, while **58.9%** of the respondents disagreed with that position.

**Table 4.20 Working environment, performance & productivity**

**THE GENERAL WORKING ENVIRONMENT FAVORS MY PERFORMANCE AND PRODUCTIVITY**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STRONGLY AGREE	5	8.5	9.1	9.1
	AGREE	19	32.2	34.5	43.6
	NEUTRAL	19	32.2	34.5	78.2
	DISAGREE	11	18.6	20.0	98.2
	STRONGLY DISAGREE	1	1.7	1.8	100.0
	Total	55	93.2	100.0	
Missing	System	4	6.8		
Total		59	100.0		

Source (Researcher 2013)

According to the response, **56.4 %** of the respondents disagreed that the general working environment favours their performance and productivity in the organization, while **43.6%** of the respondents agreed that the general working environment favours their performance and productivity.

**4.6: Qualitative Analysis**

The following is what was suggested by the respondents as they answered the open ended questions.

**4.6.1: Reward and Motivation.**

- i. There should be harmonized salary structure for all cadres and categories of staff.
- ii. Increased involvement of staff in decision making should be observed because minimal involvement causes low motivation in implementing policies.
- iii. A reward system needs to be introduced in the organization.
- iv. Employees should be provided with benefits like medical cover to all as well as being valued.
- v. Promotion should be done on merit.
- vi. There is need to introduce performance appraisal system which should be linked to reward.

- vii. Establishment of job titles as there is no consistence with the current job positions.
- viii. There should be staff appraisals
- ix. There is need to introduce payment by result to motivate best performers.
- x. Positive reprimand should be there when a staff does well and negative reprimand should also be done in respect and consideration

#### **4.6.2: Communication**

- i. There should be a clear communication channel and properly defined roles of every staff.
- ii. There is urgent need to review the current organizational chart so as to improve reporting relationships.
- iii. Human Resources policy documents should be widely shared among the staff and strictly followed at all levels.
- iv. The management should move down to listen and understand the employees.

#### **4.6.3: Participation in decision making**

- i. Employees need to be given a chance to participate and give their contribution on matters pertaining to their departments.
- ii. Both down-top and top-down approach to communication should be employed in the organization.
- iii. There is need to introduce regular meetings between the management and the employees before implementing any policies that may affect the staff whether positive or negative.

#### **4.6.4: Job satisfaction**

- i. There should be measures to ensure staff job security because it is fundamental to job satisfaction.
- ii. There should be no input-output mismatch.
- iii. There is need to embrace a more participatory approach to decision making through consultations with staff.

## **4.7: Discussion of Results**

The study had the objective of establishing perceived factors that affect employee's productivity within Redeemed Integrated Development Agency (RIDA), which was fulfilled by the findings.

### **4.7.1 Perceived factors affecting employee's productivity**

The study established that reward and motivation were important factors that would affect employee's productivity.

The other key factors that were found to be affecting employee's productivity in RIDA include communication, employee's participation in decision making and the extent to which employees were satisfied with their jobs. Culture and effective leadership cannot be over emphasized. The study indicated that perceived good culture of equity would favour employee's performance and productivity.

### **4.7.2 Comparison of the study with other studies**

The findings agree with the recent studies which have been undertaken on employee productivity and similar fields. Kinoti, (2009) undertook a study on "Perceived relationship between motivation practices and employee productivity in Kenya commercial bank (kcb) limited" and found out that



employee productivity was highly correlated to compensation and conducive working environment. Muturi (2008) researched on Factors influencing staff turnover at Jertec Junior academy in Nairobi and established that teachers would leave because of insufficient pay, working hours, too much overtime, amount of work, working conditions, problems with management, lack of career advancement and Terms of service. Furthermore indications were that the majority of the staff would leave because of Training and development, Contracts and Pay, Working Environment, Substandard Equipment and tools and Management.

Findings in this study indicated that communication was one of the factors that influence employee's productivity. Proper communication from top management to middle management and to junior staff is essential in enhancing employee's performance. The findings agree with those in Aaltonen and Ikavalko (2001) who noted that poor communication is a sign of poor leadership and management. Aaltonen and Ikavalko (2001) state that the amount of strategic communication in most organizations is large with both written and oral communication being used in form of top down communication.

However, a great amount of information does not guarantee understanding and there is still much to be done in the field of communicating strategies. The findings also agree with those in Wang (2000) who argue that communication should be two way so that it can provide information to improve understanding and responsibility and to motivate staff.

One of the factors influencing staff performance was staff motivation. A motivated work force is necessary in the execution of strategies hence achieving the organization's goals. The findings agree with those in Bryson (2005) who argue that failure by management to put in place proper

compensation structure may be responsible for failure in strategy implementation hence affecting achievement of an organization's goals and objectives.

## **CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### **5.1: Introduction**

From the analysis and data collected, the following discussions, conclusions and recommendations were made. The responses were based on the objectives of the study. The researcher had intended to determine perceived factors that affect productivity of employees within Redeemed Integrated Development Agency.

### **5.2: Summary of the Findings**

This section dwells on the summary of the findings generated from data analysis. The summary was done in line with the objectives of the study.

#### **5.2.1: Reward and Motivation**

On analysis of table 4.1, most employees said there was no reward system in place as supported by 57.4% of the respondents.

On effectiveness of the rewarding of the RIDA employees, results indicate that 87.0% of the respondents said the reward system was not effective in the organization while 13.0% said it was.

According to the respondents as analysed in table 4.5, 12.7% of the respondents said there was recognition of best performers while 87.3% said there wasn't

Further, majority of respondents said there wasn't any promotion scheme in the organization. However, most of employees said they were motivated to work for RIDA.

#### **5.2.2: Communication**

According to table 4.4, most employees said communication was effective in the organization as supported by 54.4% of the respondents. At the same time 65% of the employees who responded said they don't get feedback appropriately and timely.

Majority of the workers thought there was no clear grievance handling procedure in RIDA.

### **5.2.3: Participation of staff in decision making**

Workers said they didn't always get involved in decision making and suggested that there is need to introduce a participatory style of management/leadership. This is supported by 79.6% who said they are not always involved.

### **5.2.4: Job satisfaction**

A good 61.5% of the respondents were satisfied with their jobs as employees of RIDA However, 56.4% of the workers said the general working environment does not favour their performance and productivity. In addition majority of employees said there were no regular job evaluations in the organizations.

## **5.3: Conclusion**

From the study findings it was possible to conclude that RIDA staff recognize that good working environment is essential in improving the organizations performance, productivity and in attainment of its goals.

It may be concluded that in some instances that the motivation methods for example incentives benefits are not equitable and so there is an urgent need to synchronize it to allow equity.

Although there is communication, it is not always and when it is done, the method used is verbal and this is not as effective as it is meant to be. Employees do not get the right message in time and this affects their response to whatever feedback is required.

Consistency in job titles and review of HR Policies is essential in improving the working environment at the RIDA.

Jeffrey Pfeffer (1995) 'competitive advantage through people' lists seven HR practices which he claims are commonly adopted by successful companies. These are: - Employment security, Selective Hiring, Self-managed teams, High compensation contingent on performance, Training, Reduction of status differentials and Sharing information.

A somewhat similar list has been constructed by John Purcell (2000) and his colleagues at the work and employment research centre, University of Bath:

Careful and sophisticated recruitment and selection, Training and learning/development, an emphasis on providing career opportunities, information sharing and extensive two-way communication, involvement in decision-making, team working, appraising each individual's performance and development, pay satisfaction, job security, job challenge and/or job autonomy and work-life balance.

## **5.4: Recommendations**

The study makes the following recommendations based on the objectives of the study.

### **5.4.1: Reward and motivation**

It is recommended that application of performance management process which ensures that performance expectations are agreed and reviewed regularly should be adopted;

Formulating HR policies governing the major areas of employment, development, reward and employee relations.

Ensuring that the reward system is developed and managed to achieve equity, fairness and consistency in all aspects of pay and benefits.

Some very difficult decisions may need to be taken for example about: - pay comparability, use of incentivized reward systems an, role of non-financial recognition and so forth

According to Stephen R. Covey (2004), in his 7 habits of highly effective people, trust is the highest form of motivation.

The organizations therefore should adopt a general policy of transparency, ensuring that employees know what is happening, why it is happening and the impact it will make on their employment, development and prospects. Only in this way can the climate of trust be fostered: any (perceived) attempt at concealing change will only destroy trust.

More generally, practicing employment relations in a way which encourages mutual trust between employer and employee is critical to employees' motivation in RIDA

### **5.4.2: Communication**

It is recommended that during recruitment interviews, the organization should present the unfavourable as well as the favourable aspects of a job, which demonstrates open communication in action.

In induction programmes, RIDA should ensure that its vision, mission and core values are clearly communicated (and taken seriously), and indicating what standards of performance are expected in such areas as continuous improvement, customer service, colleague relationships and ‘going the extra mile’ through discretionary action.

Issuing and updating employee handbooks that reinforce the messages in whatever other forms are available, on a continuing basis, for instance on screen-savers, on mouse mats, on organization’s newsletters and so forth.

Developing HR procedures covering grievance-handling discipline, equal opportunities, promotion and redundancy and ensuring they are implemented fairly and consistently.

### **5.4.3: Participation of staff in decision making**

The study recommends that the organization should encourage the maximum amount of contact between managers/team leaders and their staff, to achieve mutual understanding, personal relationships and constructive two-way communications. This means that managers and team leaders must practice face-to-face leadership and must “walk the talk”, not immersing themselves in their offices or attending endless meetings.

Contribution of first-line managers and team leaders in this respect is absolutely crucial;

Holding regular and objective joint consultative meetings between the management/employer and the employees will create an environment of shared interest and trust.

#### **5.4.4: Job satisfaction**

The study further recommends that formulating and implementing HRD Strategies in the organization should be adopted so as to develop the careers of the employees and increase their skills in handling task.

Further, using all training and management development programmes as opportunities to underpin core values would be important in gaining commitment.

Very importantly, establishing that managers and team leaders commit themselves to their roles in upholding the vision, mission, core values and HR policies of the organization and do not undermine them through neglect, criticism or cynicism.

Promoting the use of personal development plans that focus on continuous improvement mainly through individual reflection on experience and self-managed learning.

Career development should be done by the organization because it would encourage employees to believe they have a future in the organization.

Research on retention shows unequivocally that in the words of Marcus Buckingham, “people leave managers, not organization”. The leadership should ensure that there is good relationship between tm and the employees. It is absolutely crucial in determining the propensity of employees to stay with an organization.

#### **5.5: Suggestions for further Research**

The researcher wishes to make some proposal for further study based on findings of this study.

These proposals are: -



- a) The study covered perception of employees on effects of working environment relating to Reward & motivation, communication, involvement in decision making and job satisfaction and how those factors affects productivity. More perception details may be revealed through studies in other areas like leadership, employee commitment, culture, job turnover and so forth.
- b) Effects of recruitment and selection on employees' performance and productivity should be looked into to ascertain whether the way employees are brought into the organization affects their performance and the perception they have on the organization.

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## APPENDIX I

### Questionnaire: Sections I- Personal Details

1. What is your age group?

- 1  21-30      2  31-40  
3  41-50      4  51 and over

2. What is your gender?

- 1  Male      2  Female

3. What is your marital status?

- 1  Married      3  Divorced      5  Separated  
2  Single      4  Windowed

4. What is your date of entry into the Organization? \_\_\_\_\_

5. What is your educational background?

- 1  Primary  
2  O-level  
3  A-level  
4  University  
5  College level

6. Do you have any professional qualification?

1.  Yes      2.  No.

If yes, please specify \_\_\_\_\_

7. What is your department?

- 1  Management      6  Others, Specify \_\_\_\_\_  
2  Computers & IT

3  Academy

4  Social Work

5  Health Centre

8. What type of contract are you serving?

1  Short-term/Part time

2  Fixed term/Renewable Contract

3  Permanent

**Section II: Working Environment and its effects in employees' reward and motivation**

<b>Section II: Working Environment and its effects in employees' reward and motivation</b>						
9 (a)	I feel motivated as an employee of this organization?	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
(b)	There are training opportunities available for employees in the organization?					
(c)	There are promotion schemes in the organization					
(d)	There is a reward system in place in the organization					
(e)	The reward system is effective					
(f)	There is a recognition of best performers in the organization					
(g)	There are clear terms of reference for all employees in the organization					
(h)	Role ambiguity and/or conflicts					

	never occur in the organization					
(i)	The general working environment favours my performance & productivity					
<b>Section III: Working Environment and its effects in employees' communication</b>						
10 (a)	The communication is effective in the organization					
(b)	I get feedback appropriately and timely.					
(c)	Employees have a clear grievance handling procedure in the organization					
<b>Section IV: Working environment and its effects in employees' participation in decision making.</b>						
11 (a)	Employees always get involved in decision making in the organization					
(b)	There are joint consultative meetings between the management and employees.					
(c)	Involvement in decision making is excellent					
<b>Section V: Working environment and its effects in employees' job participation</b>						
12 (a)	I am satisfied with my job as an					

	employee of RIDA					
(b)	Job evaluation done very often in the organization					
(c)	I am okay with the quantity of my job and it is challenging					
(d)	There are career advancement opportunities in the organization.					
13 (a)	<p>What other factors do you think influence your performance and productivity?</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>					
(b)	<p>List the benefits that you feel if offered to you by RIDA would favour your performance and productivity?</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>					