

**PERCEIVED FACTORS INFLUENCING PERFORMANCE TARGETS AT
MINISTRY OF INDUSTRIALIZATION AND ENTERPRISE DEVELOPMENT**

BY

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DECLARATION

Student's Declaration

This Research Project is my original work and has not been submitted for any award in any other University.

Signature

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This project report has been submitted for examination with my approval as the university supervisor.

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DEDICATION

I dedicate this project to my Dad Dr. Abraham W. Wambua, Mum Mrs. Ellen Waila and my siblings, Elizabeth, Beatrice, Esther, Mary and Jacinta for without their support, I would not have made it this far.

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I would like to thank the Lord Almighty for giving me the strength and grace to come this far.

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God bless you all.

ABSTRACT

The objective of the study was to assess factors perceived to influence performance targets set by Ministry of Industrialization and Enterprise development. Descriptive research design was used for the study. The study targeted departmental heads and employees in the Ministry of Industrialization and Enterprise Development headquarters. On the determination of the effect of strategic plan on achievement of performance targets, the study found that 77% of the respondents agreed that strategic plans affect the achievement of performance targets. The respondents agreed with the statement that performance evaluation helps in the improvement of work performance by enhancing productivity of the employees thus target achievement (mean between 1.1-2.0). Regarding the effect of training on achievement of performance targets, the study found that the respondents agreed with the statements that employees must have technical skills that define and measure performance targets that are aligned to organization's overall vision and mission (mean score between 1.1-2.0). TQM was found to help in improving the quality of services provided by the ministry of industrialization (mean score between 1.1-2.0). The study concluded that factors such as strategic planning, performance evaluation, technical skills and TQM affect the achievement of performance targets at the Ministry of Industrialization and Enterprise Development. It was recommended that supervisors and managers should work closely with the employees to monitor their performance and recommend on the areas of training for improvement.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Performance implies the action of doing things that is using things, attending to conditions, processing, communicating and achieving results. Performance is the actual work that is done to ensure that an organization achieves its mission (Maila, 2006). In summary, performance encompasses inputs, conditions, processes elements, outputs, consequences and feedback. The end product of performance should be measured against four elements that are: quantity, quality, cost or risk factors and time (Maila, 2006). The idea of measuring the end product is fully supported as it can be argued that a product can be in any form that is good or bad, hence the need to have it measured. Botswana Unified Revenue Service (BURS, 2002) states, performance shall mean the standard of performance related to an employee's output measured in terms of quality, quantity, cost, time and risk. In addition, it shall mean the behavioral standards and competencies adopted by BURS.

1.1.1 Performance Targets

Performance targets are concerned with determining what employees do in their jobs, communicating that information to the employees and establishing a plan for performance improvement. The most important purpose or goal of the performance target is to improve performance in the future and not just for the employee. Managers can get valuable information from employees to help them make employees' jobs more productive. Work units and organizations can identify problems that interfere with everyone's work (Mahlok, 2005). Performance targets are an important component of management control systems by serving as a standard against which managerial performance is often evaluated at the end of the period. Thereby, targets largely determine bonuses, career prospects and promotion decisions to motivate managerial effort and retain employees. Given this prominent role of targets in business practice, it is important to understand how supervisors set performance targets to contract with managers.

Performance targets are one of the most used managerial tools in the corporate world. Performance targets –also referred to as assigned goals, quotas or performance aspiration levels can be defined as the objects or aims of managerial actions (Latham, 2004) or as borderlines that differentiate success from failure (Lopes, 1987). Performance targets are, for example, to attain a 10 percent increase in sales or to improve customer satisfaction. Targets are mainly used for motivating specific behaviours, establishing expectations, evaluating and rewarding performance. At present, the use of performance targets seems to be ubiquitous; however, a high proportion of organizations have reported to be dissatisfied with their targets arguing that this management tool is not generating the expected results (Marchetti and Brewer, 2000).

The performance target is a critical component of the overall human resource management function in any organization. It is predicted upon the principal of work planning, setting of agreed targets, feedback and reporting. It is linked to other human resources management systems and processes including staff development, career progression, recruitment placement, incentives and sanctions, (OP. Public Reforms Sector, 2003/7).

1.1.2 Factors Influencing Performance Targets

Factors influencing performance targets has been a question for many researchers and managers and has been brought about by the trends and challenges in the business environment (Ulrich, 1997). A number of researchers and authors observed that in order for an organization to enhance performance, it will need a skilled, competent and knowledgeable management team that will be able to steer the organization to its optimum level through the development of the required attitudes, behaviour and skills.

Patterson et al. (1999) observed from their research based on over a hundred UK Manufacturing companies', that the most important determinant in predicting company performance was people management practices. Ironically in the same research evidence proved that Human resource management was one of the most neglected areas of managerial practice in organizations.

Drucker is quoted to have said that the greatest opportunity for increasing productivity is to be found in knowledge, work itself and especially in management (Weihrich, 1994). Hamel and Prahalad (1989) proposed that competitive advantage could be attained where a firm obtained effectively developed and trained their human resource and these employees were able to learn faster, and apply its learning more effectively than its rivals, (Armstrong, 2003). Ulrich (1997) observed that knowledge has become a direct competitive advantage for companies selling ideas and relationships. It is therefore very critical for organizations to adopt effective and efficient way of managing performance by focusing on skills and competence, total quality management, planning and changing the work design where appropriate. This can be obtained by adopting the performance management system.

1.1.3 Ministry of Industrialization and Enterprise Development

The Ministry of Industrialization and Enterprise Development (MIED) was established through the Presidential Circular No. 2/2013 of May 2013. Till then, Kenya's Industrialization and Enterprise Development matters were handled by its precursors, the Ministry of Industrialization, Ministry of Labour and Ministry of Cooperative Development and Marketing.

The mandate of the Ministry is to provide a policy framework, Kenya properties right, private sector development, special economic zones, development of micro and small enterprise, private sector development policy, cooperative legislative production, marketing and value addition, promotion of cooperative ventures, cooperative audit services, cooperative savings, credit and other financial services policy (Ministry of Industrialization and Enterprise Development, 2013).

The Vision of the Ministry is to be a leader in transforming Kenya into a rapidly industrializing middle-income economy while its mission is to facilitate the development of a robust, globally competitive, diversified industrial, enterprise and cooperative sub-sectors through the creation of an enabling environment. The guiding principles and values in the Ministry's service delivery include quality service delivery, commitment to

duty, integrity, honesty, teamwork, courtesy in serving customers, efficiency and effectiveness, timeliness, professional, cooperative and respect (Ministry of Industrialization and Enterprise Development, 2013).

1.2 Problem Statement

Setting performance targets for any organization business may not always increase your bottom line. Indicators of an organization success can be useful tools for its operations and management. Having goals helps ensure that management and staff are working for a common result. As advantageous as performance targets can be, there are factors influencing the achievement of the targets Martinez et al. (2006).

Traditionally, the shortcomings of the public sector were seen as organizational problems capable of solution by appropriate application of political will, powerful ideas and managerial will. The overriding concern with economic growth has led to a refocusing. Over the years, poor performance of the public sector, especially in the management of public resources has hindered the realization of sustainable economic growth. Some of the factors adversely affecting performance include: excessive regulations and controls, frequent political interference, poor management, outright mismanagement and bloated staff establishment Ochoti et al. (2012).

Different studies have been done on employee performance. Martinez et al. (2006) did a study on the effects of performance measurement systems and found that having performance measurement systems improves the focus of people in the organization, helps in achieving the key objectives, improves communications skills, stimulates debate around performance, improves employee satisfaction and motivation. Ochoti et al. (2012) studied factors influencing employee performance appraisal system: a case of the Ministry of State for Provincial Administration & Internal Security, Kenya. They found that factors such as the implementation process, rater and ratee interpersonal relationship, psychometric rater accuracy, informational factors and employee attitudes all influence the performance appraisal system. Wangui (2013) did a study to determine the influence of performance contracting on strategy implementation in commercial state corporations in

Kenya and found that though there was a negative relationship between cascading of performance contract and strategy implementation other aspects of performance contracting need to be studied to determine their influence to strategy implementation in the Commercial State Corporations. Kwamanga and Achoch (2014) did a study on the factors affecting implementation of performance related pay: a case of Kenya Revenue Authority. They found that implementation of performance related pay is dependent on management commitment and setting of performance targets. This study therefore sought to fill the knowledge gap by seeking to answer the question on what are the factors influencing achievement of performance targets in the Ministry of Industrialization and Enterprise development?

1.3. Objective of the Study

The objective of the study was to assess factors perceived to influence performance targets set by Ministry of Industrialization and Enterprise development.

1.4 Value of the Study

The information that will be obtained from this study will advance the body of knowledge and stimulate further discussions on performance management practices and also help in formulation of policies in public organizations and other corporate organizations.

This will be of benefit to the researchers and managers of organizations, scholars of management, and to change agents for gaining deeper insight, appreciate and understand the problems facing implementation, assessment, quality and outcome of implementing performance management practices in general.

The findings of this study will be important to the Ministry of Industrialization and Enterprise Development. The ministry will be able to formulate policies which will help with the attainment of performance target set by the ministry.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents relevant literature on: Performance measurement and evaluation, Total quality management and strategic planning.

2.2 Theoretical Foundation

The underlying conceptual foundations for performance management lie in motivation theory and, in particular, goal-setting theory and expectancy theory. Goal-setting theory (Locke and Latham, 1984) suggests that not only does the assignment of specific goals result in enhanced performance but that, assuming goal acceptance, increasing the challenge or difficulty of goals leads to increased motivation and increases in performance (Mitchell *et al*, 2000). Expectancy theory hypothesizes that individuals change their behaviour according to their anticipated satisfaction in achieving certain goals (Vroom, 1964). Both these theories have important implications for the design of performance management processes.

2.2.1 Goal Setting Theory

Goal setting theory states that motivation, commitment and performance are higher when employees participate in the making of specific goals. Participation in setting the difficult goals, obtaining feedback on performance, guidance and advice helped to maintaining motivation and commitment particularly towards the achievement of even higher goals. Greg and Zidon (1984) emphasized the need for acceptance of commitment to goals. They stated that for as long as there was agreement, demanding goals lead to better performance, management process, when setting challenging objectives and drawing up performance agreements and providing continuous feedback on the performance (Armstrong, 2003).

2.2.2 Expectancy Theory

Expectancy theory is a cognitive process theory of motivation that is based on the idea that people believe there are relationships between the effort they put forth at work, the performance they achieve from that effort, and the rewards they receive from their effort

and performance. In other words, people will be motivated if they believe that strong effort will lead to good performance and good performance will lead to desired rewards. Victor Vroom (1964) was the first to develop an expectancy theory with direct application to work settings, which was later expanded and refined by Porter and Lawler (1968) and others (Pinder, 1987).

Expectancy theory is based on four assumptions (Vroom, 1964). One assumption is that people join organizations with expectations about their needs, motivations, and past experiences. These influence how individuals react to the organization. A second assumption is that an individual's behavior is a result of conscious choice. That is, people are free to choose those behaviors suggested by their own expectancy calculations. A third assumption is that people want different things from the organization (e.g., good salary, job security, advancement, and challenge). A fourth assumption is that people will choose among alternatives so as to optimize outcomes for them personally.

The expectancy theory based on these assumptions has three key elements: expectancy, instrumentality, and valence. A person is motivated to the degree that he or she believes that (a) effort will lead to acceptable performance (expectancy), (b) performance will be rewarded (instrumentality), and (c) the value of the rewards is highly positive (valence).

Both goal-setting and expectancy theory are founded on the premise that human beings think in a rational, calculative and individualistic way (Clark, 1998). Indeed, he argues that performance management is based on an extremely rationalistic, directive view of the organization, which assumes not only that strategy can be clearly articulated but also that the outcomes of HR processes can be framed in a way that makes clear their links to the organization's strategic objectives. He further argues that the approach assumes causal links between different parts of the process that can be readily identified and enable underperformance in one or more aspects of the process to be managed to ensure optimum functioning of the wider performance management systems. However, such assumptions not only ignore the debate about the nature of strategy and its formulation (Mintzberg, 1994), but also fail to recognize the context in which a performance

management systems operates. The social processes and power systems within which organizations operate together with the broader organizational and country-cultural context are important mediating factors in the operation and success of any system (Clark, 1998). This study therefore used the theories to explain the relationship between the study variables.

2.3 Performance Management

Performance management is a tool to ensure that managers manage effectively (Armstrong and Baron, 2004). It is an integral part of effective human resource management and development strategy. It is an ongoing and joint process where the employee, with the assistance of the employer, “strives to improve the employee’s individual performance and his contribution to the organization’s wider objectives” (Hellriegel, et al., 2004). Amos, et al. (2004) defines performance management as the process that begins with translating the overall strategic objectives of the organization into clear objectives for each individual employee. Performance management can also be seen to incorporate all of those aspects of human resource management that are designed to progress and/or develop the effectiveness and efficiency of both the individual and the organization. First-class performance management begins and develops with the employee's lucid understanding of the organization’s expectations.

To elevate and sustain the level of work performance, managers must look past individual or team performance to a larger arena of play: the performance management system (Campbell, McCloy, Oppler and Sager, 1993). The success of a performance management system is reliant on the commitment/support of an organization’s management. Performance management systems must be seen to reward personal development and achievement (Hendrey, 1995). Within the performance management field itself, it is important that targets are viewed to be fair and equitable across all groups. It is imperative that employees have confidence in their work and recognize that management supports them. A good performance management system motivates employees to better their own performance, promotes self-motivation, and builds and strengthens relationships via open communication between employees and managers.

There are two main purposes driving performance management. Firstly, there are the operational reasons, which lead and control the system (Temple, 2002). Secondly, on the cultural side, the system can feature as part of the overall drive to build a more open relationship with employees. The performance management system sets out to communicate the link between an organization's mission, strategic direction and the required employee performance (Temple, 2002).

A successful performance management system is one that requires full participation between employees and managers through effective communication and goal agreement, resulting in complete common understanding and not unfounded expectations (Campbell, et al., 1993). A well-executed performance management system is a medium for managers and employees to develop an understanding of what work the mission of the organization requires, the manner in which this work should be accomplished, and to what extent it has been achieved. Employees should be empowered and receive support from their manager without removing any of the employee's responsibility. As the performance of an organization is dependent on the quality of the workforce at all levels of the organization (Temple, 2002), it is essential to discuss the concept of individual performance.

The actual performance is compared to the desired performance, so the outcome is evaluated and a development plan is set according to the weakness with reference the strategy. This outcome also provides a feedback mechanism to employees. In order to improve the feedback and update and discuss initial objectives, the organization should also focus on communication within employees and between employees and managers. It is important for managers to develop a fully integrated strategy which enables the different forms of communication to contribute to the success of the firm's mission or common goal (Armstrong and Baron, 2004). Moreover, continuous communication or exchanging information between an organization's strategic managers and its internal stakeholders should be designed to promote commitment to the organization and aware of its changing environment and understanding of its evolving aims (Welch & Jackson, 2007).

Individuals could be encouraged to think about how and in which ways they want to develop. Research demonstrates that feedback has strong positive effects on the performance of both individuals and groups, specifically through role clarification, improved self-efficacy, the establishment of behavior reward contingencies and increased self-regulatory control processes (Ashford & Cummings, 1983). Similarly, the actual performance could also be compared to the desired performance, therefore the outcome is evaluated and a development plan is set based on the weakness (Armstrong and Baron, 2004).

2.4 Performance Targets

Prior literature has distinguished between two major sources of information on which targets can be based: past performance and relative peer performance (Murphy 2001). As a result, two largely unrelated streams of literature have emerged. First, prior research on how to set budget targets *ex ante* (i.e., in the beginning of the period) has been concerned with how much weight firms place on past performance when setting targets. Single firm field evidence tends to suggest ratcheting² targets which is equivalent to supervisors putting a heavy emphasis on past performance when setting bonus targets³ (Bouwens and Kroos 2011). This, in turn, is costly as it will lead managers to attempt to influence their targets by engaging in potentially detrimental gaming behavior (e.g., effort reduction, accrual management and so forth).

Contract theory suggests that it might not necessarily be optimal to fully exploit the information content of past performance in the first place. Instead, *ex ante* incentives can be strengthened by allowing managers to earn rents in future periods as well by not fully adjusting targets to past performance. Thus, such or other forms of long term commitment to preserve existing contractual arrangements might be a superior strategy (Laffont and Tirole 1993, 376). Studies using survey evidence from diverse samples of firms find support for the view that managers who achieve targets are likely to do so persistently over time (Indjejikian et al., 2011). These findings suggest a more tempered use of past performance as target ratcheting appears to be limited to more moderate levels in their sample of firms. Second, contract theory predicts that managerial performance

will be evaluated against peer performance to filter out common shocks which allows for higher precision at assessing managerial performance and more efficient contracting (Matsumura and Shin, 2006).

2.5 Factors Influencing Performance Targeting

The criteria for measuring success should be clarified and obstacles timely identified so as to seek solutions and that public service delivery is not halted, performance management system is one of the instruments that can provide that solution (Maila, 2006). Performance measurement system highlights whether the organization is on track to achieve its desired goals (Hogue, 2010). Performance measurement system develops key performance indicators (KPIs), or metrics, depending on the nature and activities of the organization. KPIs can serve as the cornerstone of an organization's employee incentive schemes. The researcher's contention is that it is much more difficult to develop KPIs for each area of performance within the organization which can be measured effectively. Lessons learnt from literature were that if there is inadequate understanding or inadequate training on performance evaluation systems, which will lead to the systems being suspended or withdrawn (OPM, 2005). This study therefore sought to assess the perceived factors influencing performance targets in Ministry of Industrialization and Enterprise Development, Kenya.

2.5.1 Performance appraisal

Performance or staff appraisal is an approach used for many years in organizations where an individual is assessed by an immediate supervisor. In many developing countries, staff appraisals are not implemented as part of a management process (Martinez 2003).

Performance appraisal is about ascertaining the value of a person's work performance by assessing an employee's strength and developmental needs using different measurements and evaluation methods (Winch et al., 2003). The key in performance analysis is the identification of the gap between desired and actual performance. This provided clarity on the expected performance (goals) and the current situation (baseline) to enable monitoring of progress.

Authors such as Hornby and Forte (2002); and Price (2000) discuss the main reasons for evaluating or measuring performance. They include the following: Improvement of work performance by enhancing the productivity of an employee; Identification of excellent performers with the aim of rewarding people who are ready for promotion; Identification of those who need some type of support to improve and increase their work performance; Determining whether the set targets have been achieved and whether laid down standards have been adhered to; Remuneration according to achievement (merit pay); Detection and elimination of problem areas in jobs or the work environment; placement of staff according to their ability and reduction or elimination of grievances.

2.5.2 Technical skills

Establishing Performance Criteria

Criteria of effective performance must be both objective and felt to be attainable before they can be considered valid. To be meaningful to individual employees and managers, they must be appropriately translated into personal acceptability. A stage which is reached when the managers and his immediate superior have settled the principal and results to be achieved for that staffs job to be performed satisfactorily. Before this level of agreement is reached in the description of the subordinate's job, however the senior managers need to ask himself if: (1) why they have to employ that particular specialist what exactly is he expected to achieve and what does he need to do his job more effectively (Maywood, 1991).

Key activities

Role definition: in which the key result areas and competence requirements are agreed.

Performance agreements or targets: defines expectations of what the individual has to achieve in the form of objectives, how performance will be measured and the competences needed to deliver the required results.

Objectives

Objectives are the guides or directions that enable the managers to favour one course of action over the other. They are also referred to as goals. Strategies on the other hand are courses of action that enables the objectives of an organization to be achieved (Drury, 2002).

The objectives and strategies should be set with the critical success factors in mind as to take advantage of the opportunities available in the business environment and to minimize the negative impacts of the business constraints (Munford and Gold, 2004). Armstrong (2005) proposed that the characteristic of good performance is that they take account of all aspects of the job and should be able to bring about the intended change. The characteristics of good objectives are that they should be SMART such as being specific - clear, unambiguous, straight forward and understandable. They should be Measurable-Quantity, quality, time and money. They should be: Achievable- but within reach of a committed person, Relevant- to the objectives of the organization so that the goal of the individual is aligned to the corporate goal and Time framed- to be completed within an agreed time scale.

Objectives therefore define what the organization, functions, departments and teams are expected to achieve over a period of time. Different levels in organizations hierarchy are concerned with different types of objectives. The Board of directors is for instance concerned with the overall objectives of the organizations in the key result areas. Middle level managers on the other hand are concerned with setting of the key result areas of their departments. Finally subordinates employees with the guidance and encouragement of their manager draw up personal development plans that will be both beneficial to them and to departmental and team objective. The organization should therefore have a clear statement of what is to be achieved (Armstrong, 2003).

Performance standards

A performance standard can be defined as a statement of the conditions that exist when a job is being performed effectively. The performance standards usually remain relatively

the same as the tasks remain the same. The performance standard should be stated in such a way that is specific and observable. The standard should be in quantifiable terms e.g. speed of response. Where this is not possible a qualitative approach may have to be adopted e.g. this job or that task will have been done well if a specific outcome is obtained (Armstrong, 2003). The performance standard should be clearly outlined in job descriptions and should be communicated to the new employees during induction and socialization (Marchington and Wilkinson, 2004).

Performance Measures

Performance measures provide evidence of the extent to which the jobholders have produced the intended results (Armstrong, 2005). Performance measures are agreed when setting objectives. It is necessary to define not only what is to be achieved but those concerned will know what has to be achieved. Performance measures should also provide evidence of whether or not intended result has been achieved.

Self Assessment

This is important as it enables an individual to rate his or her performance before submission to the next line manager. This provides a person to do self audit and take remedial action to improve performance. It is closely related with the balanced score card where a person has to first rate himself before his next in line manager can ratify or amend the decision arrived at one stage below (Wagonner et al, 1999).

2.5.3 Total Quality Management

Total Quality Management (TQM) is an effective system for integrating the quality development, quality maintenance and quality improvement efforts of various aspects of a system so as to enable services at most economical level and derive full satisfaction (Mohammed, 2006). TQM is aimed at the satisfaction of customers needs in an efficient, reliable and profitable way. It involves a radical direction through which an organization perform her day to day operations in other to ensure that quality is put at the top of mind of every employee and departments in which they operate. TQM is defined as the synthesis of the organizational, technical and cultural elements of a company (Vorley and

Tickle, 2001). They opined that TQM is a heart and mind philosophy which recognizes that company culture affects behavior which in turn affects quality. TQM can also be defined as a management system which consist of interdependent unit namely core values, techniques such as process management, benchmarking customer focused planning or improvement teams and tools such as control charts (Hellsten and Klefsjo, 2000).

TQM is an ideology which is focused on the satisfaction of customer's need. Thus, most organizations try as much as possible to meet or exceed customer's expectation in their daily activity and also their long term plan (Andrle, 1994). TQM require organizations to develop a customer focused operational processes and at the same time committing the resources that position customers and meeting their expectation as an asset to the financial well being of the organization. It is therefore necessary for organization to maintain a close link with their customers in order to know their requirements and to measure how it has been successful in meeting up to customers' requirements (Filippini and Forza, 1998). A high level of customer satisfaction is obtained solely by providing services or products whose features will satisfy customer's requirements or needs (Muffatto and Panizzolo, 1995). The customer's needs and expectation serve to drive development of new service offering. This is due to the fact that customers determine the quality level of service delivered.

TQM is concerned with the continuous improvement in all the process of production, from the levels of planning and decision making to the execution of work by the front line staff. The principle behind the idea of continuous improvement is basically the idea that mistakes can be avoided and defects can be prevented. Continuous improvement refers to the constant refinement and improvement of products, services and organizational system to yield improved value to customers (Stahl, 1995). He further explained that the continuous look for ways in improving quality of product or service in the absence of customers' complain may prevent a future problem. The continuous improvement process aims to identify and eliminate the cause of a mistake in order to prevent its reoccurrence. Organizations operating in a dynamic environment are liable to

carry up continuous improvement in its operation; they explained that the face of competition changes faster in this environment as a result of the changes in customers' needs, competitors' activities and service/product innovation (Fuentes-Fuentes et al, 2004).

Training helps in preparing employees towards managing the TQM ideology in the process of production. Training equips people with the necessary skills and techniques of quality improvement. It is argued to be a powerful building block of business in the achievement of its aims and objectives (Stahl, 1995). Through training, employees are able to identify improvement opportunities as it is directed at providing necessary skills and knowledge for all employees to be able to contribute to ongoing quality improvement process of production. Training and development programme should not be seen as a one time event but a life long process (Stahl, 1995).

A well structured team will aid the effective production of goods and services through the integration of activities involved in the process of production. Team work is a key feature of involvement (Dale et al., 1994). To him, team work aids the commitment of the workforce to the organizational goals and objectives. The researchers believe it is essential to have a team made of people with right attitudinal disposition to working in groups so as to realize the gains of quality management. Team work is a way of stimulating positive work attitude, which includes loyalty to the organization and a focus on organizational goals. Teamwork contributes to the generation of improvements that are proposed by employees. To them, the proposed improvements have a way of changing the attitudes of employees that are resistance to change (Martinez et al, 1999).

The motive behind the intrinsic reward is to provide the employee with some autonomy which empowers him to take decisions that affects his job, thus making him responsible and accountable. This is said to increase the employee's level of job satisfaction (Dimitrades, 2000). The implementation of TQM ensures that every worker in the organization does his work with quality the first time, thus improving the efficiency of operation and avoiding some cost associated with waste. This in turn will offer more

value to customers in terms of price and service quality, thus making them satisfied. Implementation of TQM further ensures that organizations change how they perform activities so as to eliminate inefficiency, improve customer satisfaction and achieve the best practice (Porter, 1996). Porter noted that constant improvement in the effectiveness of operation is essential but not a sufficient factor for organization to be profitable.

TQM helps in improving the quality of products and also reduces the scrap, rework and the need for buffer stock by establishing a stable production process. He argued that TQM will reduce the cost of production and time of production. Continuous improvement which is a feature of TQM is said to reduce the product cycle time thus improving productivity (Huang and Lin, 2002). Many other TQM practices such as training, information system management, relationship with suppliers etc have a positive impact on operational performance. The efficient management handling of these practices will improve efficiency and no doubt affect the profitability of the firm (Sila, 2007).

TQM can minimize the total cost of production through 'sole sourcing' (Sila, 2007). The cost in this case is reduced by limiting the number of suppliers used by the firm and providing them with necessary training and technology. The efficient functioning of an operation will then depend on how well the suppliers meet up with the expectations of the organization. This is why the TQM principle emphasizes the totality of quality in all facets which includes the suppliers. TQM endorses the total quality approach in creating customer satisfaction. The total quality approach creates an integrated method of analyzing operation by focusing the processes of production on customer satisfaction. Thus, it requires that quality be built into all the processes so as to be efficient in the overall operation. The effectiveness of TQM organizations should be measured by the degree of integration with their supplier bases because supplier quality management is a critical component of TQM (Kaynak, 2003). Operational effectiveness is then a function of how well the various units of an organization carry out their functions with quality.

TQM requires effective change in organizational culture and this can only be made possible with the deep involvement/commitment of management to the organization's

strategy of continuous improvement, open communication and cooperation through out the organization. TQM implementation improves the organizational performance by influencing other TQM dimensions (Kaynak, 2003). To be successful in promoting business efficiency and effectiveness, TQM must start at the top with the chief executive (Oakland, 1993). Leadership as being critical in effecting organizational change most especially in the areas of building effecting relationship with suppliers and others involved in the process of value delivery (Cooper and Ellram, 1993).

The commitment of leadership to the TQM strategy as shown in their daily disposition to work will go a long way in motivating employees to deliver quality services that exceeds the expectation of customers. The implementation of TQM requires a clear long term leadership commitment. To him, long term relationship with satisfied customers is an asset to the organization, thus, management must be committed to it (Andrle, 1994). The importance of management in providing a ‘customer focused support system’ such as measurements, rewards and recognition for satisfying customers with the aim of building a positive relationship with customers (Andrle, 1994). This study therefore seeks to assess the influence the TQM on the achievement of performance targets at Ministry of Industrialization and Enterprise Development

2.5.4 Strategic planning

Strategy as simply an outline of how an organization has planned to achieve its intended objectives (Henry, 2008). The goals that the organization has set itself are the objectives and the strategy is therefore a well worked out plan on how to reach those objectives. A strategy is a plan or course of action for the allocation of scarce resources in order to achieve specified goals. It is a plan of action stating how an organization will achieve its long-term objectives. The concept of strategy comes from ancient Greeks. The word strategy comes from the Greek word *stratego*, which means „to plan the destruction of one’s enemies through the effective use of resources“ (Burns, 2009). Moreover, it is important that everyone in the organization shares a common view of its purpose and direction which informs and guides decision-making and actions (Burns, 2009).

A strategy enables an organization to balance its resources and capabilities to the needs of the external environment in order to achieve competitive advantage. There are three types of strategies namely corporate strategy, business strategy and functional strategy. Corporate strategy deals with the broader issues of what industries the organization wants to compete in, and the allocation of resources between its strategic business units. It is usually dealt with at senior management level. Business strategy deals with how an organization is going to compete within a particular industry or market. It is more about how an organization is going to achieve competitive advantage over its rivals. Functional strategy is basically responsible for the provision of support to business strategy and is the responsibility of managers in the different functional units to ensure that their activities are geared to assist and complement the efforts towards achieving the business strategy (Henry, 2008:8). Strategy can therefore be defined as those planned activities employed to achieve the objectives of the organization. It is a means to an objective, a vehicle that guides and takes the organization from its present position to a desired position.

Strategic Planning is concerned with formulating strategy. It takes an approach that blends futuristic thinking, objective analysis, and subjective evaluation of values, goals, and priorities to chart a future direction and courses of action to ensure an organization's vitality, effectiveness, and ability to add public value (Poister, 2010). As indicated by FCAR (2001), strategic planning is not only about ensuring that an organization remains financially sound and be able to maintain its reserves, but it also projects where the organization expects to be in five, ten or fifteen years and how it will get there. It is a systematic planning process involving a number of steps that identify the current status of the organization, including its mission, vision for the future, operating values, needs (strengths, weaknesses, opportunities, and threats), goals, prioritized actions and strategies, action plans, and monitoring plans. Strategic planning can be referred to as a process to establish priorities on what will be accomplished in the future and allows all components of the organization to pull together around a single plan for execution for the attainment of a common objective.

Unless key individuals and groups, within and outside the organization, accept the rationale for strategic change, any proposed implementation will be suboptimal at best (Henry, 2008). The first phase is effective communication systems which are needed in implementing strategy to make sure that everyone within the organization shares the vision, mission, objectives and values and has a good grasp of the strategy and how it relates to their own efforts (Dransfield, 2001). Multi-channel flows (in which information and ideas flow in all directions) of communication are helpful in creating a shared sense of ownership of corporate strategy. Plan execution is the second phase of strategic planning; an organization puts its plan into action through the allocation of resources. This step has three components namely programs, procedures and budgets. Programs serve as blueprints for converting objectives into realities whereas procedures are the specific sequence of tasks required to complete the programs (FCAR, 2001). Once the strategy is developed, organizations should prepare budgets to fund programs. An organization should be strategy-driven and not budget-driven. If the plan development phase was put together well, then the plan execution phase is much easier. Teamwork, roles, communication, and education are important and apply to the plan execution phase. Periodic meetings should also be held to review progress on short-term goals and plans. Adaptability is crucial to the plan execution phase since all plans will have flaws. If the team members are not adaptable, there may be simple issues that will not be resolved in a reasonable manner and the community will suffer. It is therefore important for management to ensure that there is constant education and communication on the plan so that all those involved are up to date with the direction the organization going and how their own contribution can help achieve organizational goals.

Plan review is required constantly to improve the plan and ensure its execution. Strategy or plan review is a very important element in strategic management because it provides managers and employees responsible for the implementation of strategy with an opportunity to determine whether the plan is working or some adjustments need to be made. Plan review is a continuous process that takes place mostly during the implementation phase and helps managers to take informed decisions and adjust their strategies accordingly.

Strategy implementation involves the development of the strategies, policies and operational planning procedures to translate strategy into action steps and then carrying out the required actions (Dransfield, 2001). Strategies then need to be monitored and evaluated to ensure ongoing improvement. Effective leadership is important for implementing strategy in terms of the creation of strategies. Stakeholders of organizations seek some sort of directive leadership from senior managers. The responsibility of the senior management team within an organization is to create strategy (after a wide process of consultation) and then to set out the structures for implementing the strategy. Research indicated that the happiest, most productive employees are those who feel empowered at work. Good leaders need to coach and motivate and then leave people to get on with it in terms of the grass roots implementation of strategies. This study therefore sought to assess the influence the strategic planning on the achievement of performance targets at Ministry of Industrialization and Enterprise Development.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter focused on the research design, target population, sample design, research instruments, instruments validity and reliability, data collection procedures and data analysis procedures.

3.2 Research Design

A research design is a logical and valuable way of looking at the world. In this study, the researcher will employ the descriptive survey design. Descriptive surveys enable a researcher to gather data at a particular point in time with the intention of describing the nature of existing conditions or identifying standards against which existing conditions can be compared or determining the relationship that exist between specific events (Cohen L. and Marion, 2007). In this study the descriptive survey design was used as it enabled assessment of factors considered to influence performance targets set by the ministry.

3.2 Population of the Study

Mugenda and Mugenda (1999), states that, a population is a complete set of individual cases or object with some common observable characteristics. The study targeted departmental heads and employees in the Ministry of Industrialization and Enterprise Development headquarters. The Ministry has 9 departments including: Administration, Human resource management, Finance, Supply chain management, Accounts, ICT, Legal, Public relations and Central Planning and Project Monitoring Unit (CPPMU). There are a total of 447 employees and the Ministry's headquarters.

3.3 Sample Design

A sample is a portion or subset of a larger group called a population (Fink, 2003). Sampling is a research technique used for selecting a given number of subjects from a target population as a representative of the population. Stratified sampling technique will be used to group the respondents into different departments. Purposive sampling was

used to target the head of departments while simple random sampling technique was used to sample employee for the study. A total of 48 respondents were targeted by the study. This constituted 11% of the target population. Gay (2003) suggested that 10% of the accessible population is adequate to serve as a study sample. The researcher therefore considered 11% to be representative of the target population. Sampling was done as presented in Table 3.1 below.

Table 3.1 Sample Size

Department	Total	Sample
Administration	88	9
Human resource management	28	3
Finance	55	6
Supply chain management	25	3
Accounts	38	4
ICT	43	5
Legal	16	2
Public relations	19	2
Central Planning and Project Monitoring Unit	135	14
Total	447	48

3.4 Data Collection

Primary data was used in the study. The study employed the use questionnaires to collect information from the respondents. The questionnaire were divided into two sections: the first section was used to derive the demographics of the respondents while the other section was aligned along the objectives of the study. The questionnaires contained both close ended and open ended questions.

3.5 Data Analysis

Quantitative analysis data was drawn from the demographic section of the questionnaires and other closed-ended questions were analyzed using descriptive statistics using percentages and frequencies. Qualitative data were generated from the open ended questions in the questionnaires and from the interview schedules. Descriptive statistics such as frequencies, percentages, means and standard deviations were used to analyze quantitative data while content analysis was used to analyze qualitative data. The analyzed data were presented in the form of frequency tables, pie charts and bar graphs.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the findings of the study. The study was aimed at determining the factors influencing performance targets at ministry of Industrialization and Enterprise Development. The findings of the study was presented in the below sections.

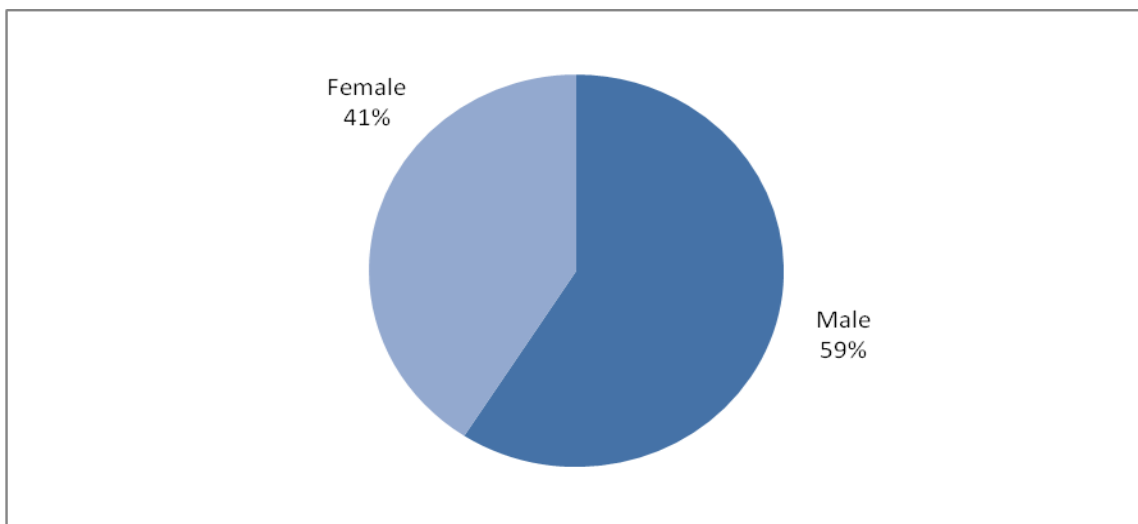
4.2 General respondents' information

Under this section the researcher sought to establish the gender, age, education level, duration of service at the ministry and the respondents' position in the organization.

4.2.1 Respondents' distribution by gender

To establish the respondents' distribution by gender, they were asked to indicate on the questionnaire. The findings of the study show that 59% of the respondents were male while 41 % of the respondents were female. It is clear that most of the respondents were male. The findings are represented on Figure 4.1.

Figure 4.1 Respondents' distribution by Gender

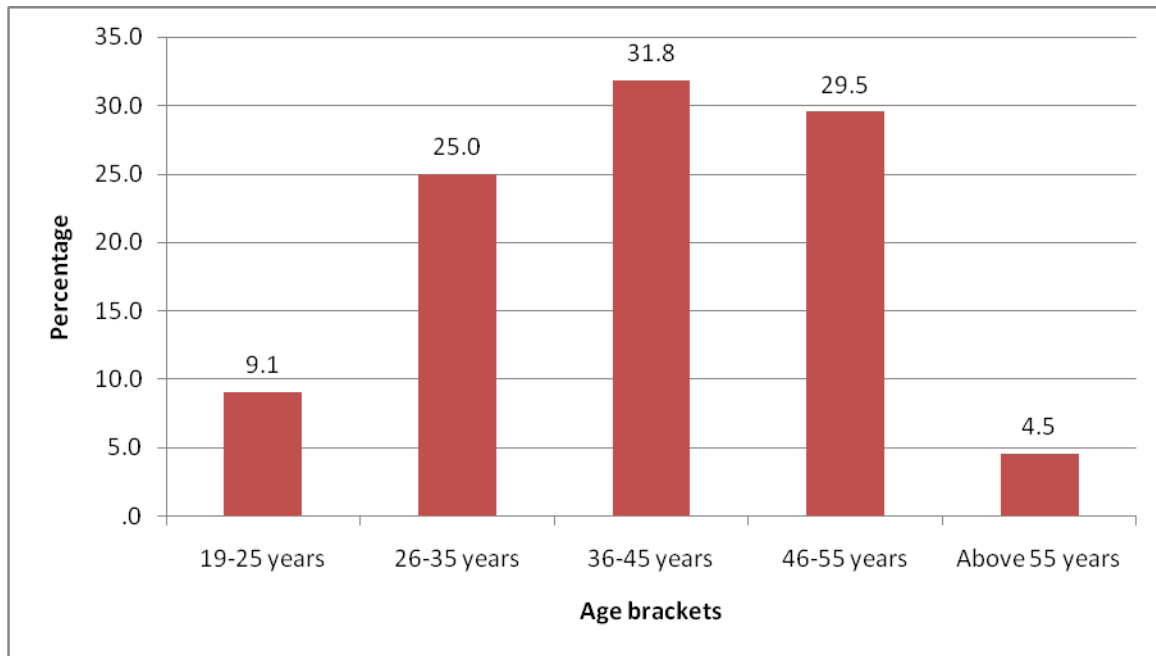


Source: Author, 2014

4.2.2 Respondents' distribution by age

Under this, the study aimed at finding out the distribution of the respondents by their ages. They were therefore asked to indicate the age brackets within which their ages were found. From the findings, the study found out that 32 % of the respondents were in the age bracket of 36-45 years, 30 % of the respondents were found to be within the age bracket of 46-55 years. The study also found that 25 % of the respondents were within the age bracket of 26 -35 years and that 9 % of the respondents were in the age bracket of 19- 25 years. The findings also indicate that 4 % of the respondents were in the age bracket of above 55 years. The findings of the study were presented in Figure 4.2.

Figure 4.2 Respondents' distribution by age

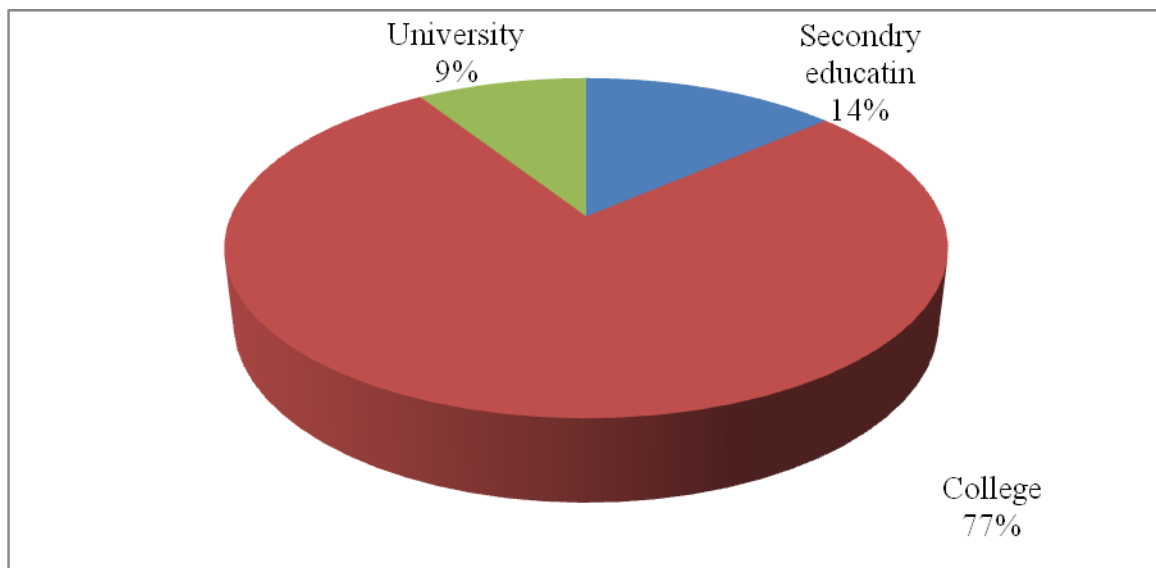


Source: Author, 2014

4.2.3 Distribution of the Respondents by education level

In order to assess the education levels of the respondents, the researcher asked the respondents to indicate on the questionnaires their education levels. The findings of the study indicate that 77% of the respondents had reached college level, 14 % of the respondents had reached secondary level while 9 % of the respondents had made it to the university. The findings are presented in Figure 4.3.

Figure 4.3 Distribution of the Respondents by education level

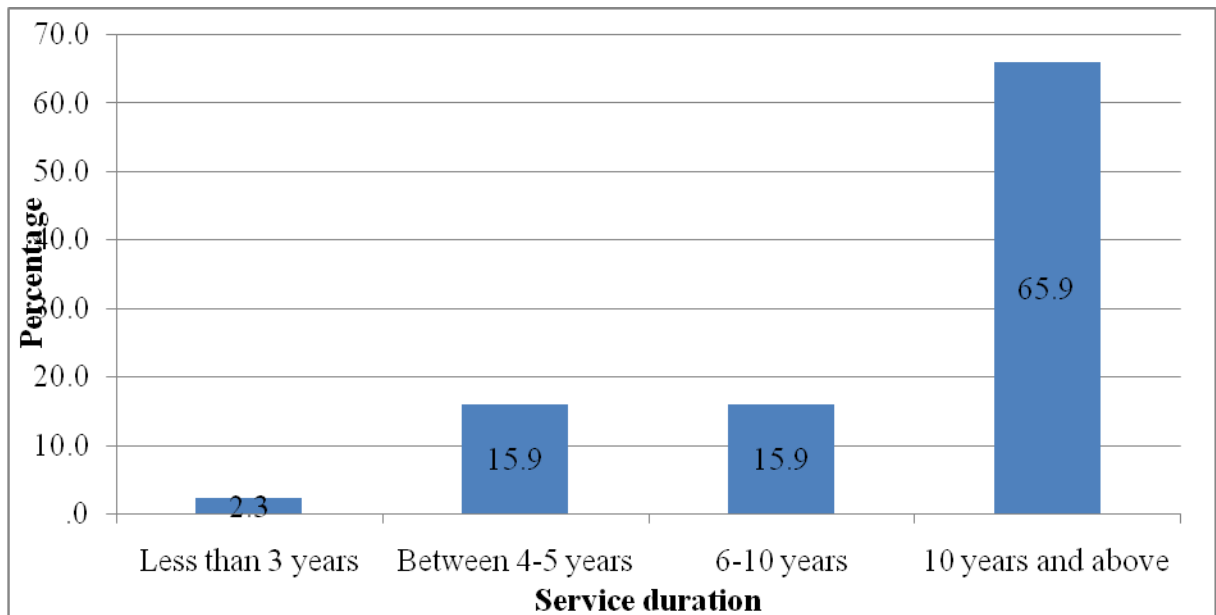


Source: Author, 2014

4.2.4 Respondents' distribution by service duration in the ministry

To find out the service duration of the respondents' the researcher asked them to indicate on the questionnaire. The findings show that 66 % of the respondents had served in the organization for over 10 years, 16 % of the respondents had served for duration of between 6-10 years and the same percentage for duration of between 4-5 years. 2 % of the respondents were found to have served in the organization for a period of less than 3 years. The findings were presented in Figure 4.4.

Figure 4.4 Respondents' distribution by service duration in the ministry



Source: Author, 2014

4.2.5 Respondents' distribution by position in the organization

To establish the respondents' position in the organization, the researcher asked them to indicate their job titles. The study found that the respondents had varied positions in the organization as presented in Table 4.1. The findings show that a greater percentage of the employees were general workers.

Table 4.1 Respondents' distribution by position in the organization

Position	Frequency	Percent
General worker	23	52
Office administrator	3	7
Security	3	7
Registrar officer	1	2
Senior clerical officer	1	2
Clerical officer	3	7
General personal secretary	2	4
Support staff	2	4
Secretary	2	5
Accountant	2	5
Human resource officer	2	5

Position	Frequency	Percent
General worker	23	52
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Security	3	7
Registrar officer	1	2
Senior clerical officer	1	2
Clerical officer	3	7
General personal secretary	2	4
Support staff	2	4
Secretary	2	5
Accountant	2	5
Human resource officer	2	5
Total	44	100

Source: Author, 2014

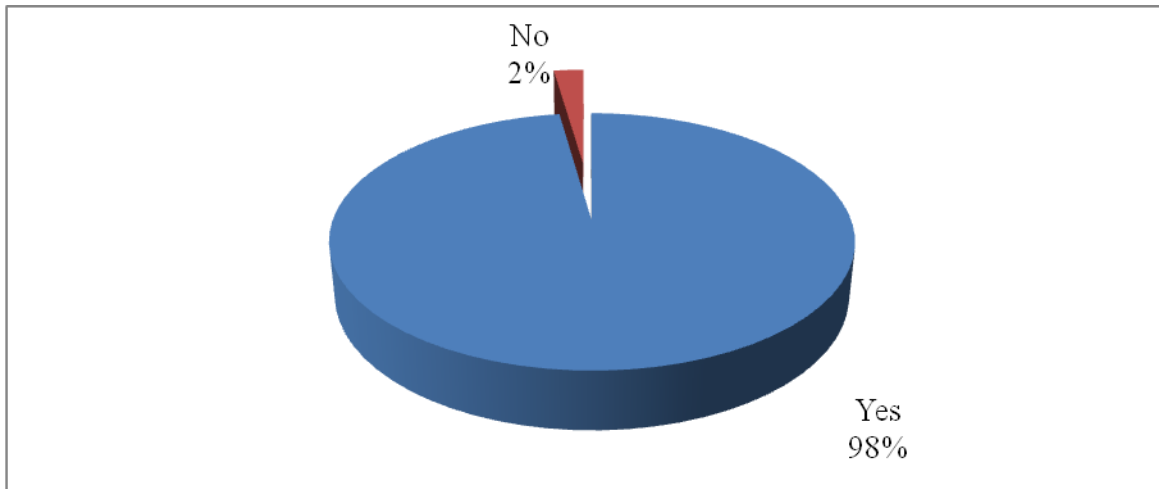
4.3 Factors influencing performance targets at the Ministry of Industrialization and Enterprise Development

This subsection presents the findings on the effect of different factors on the achievement of performance targets.

4.3.1 Existence of strategic plan in the organization

The study first sought to find out the availability of strategic plan in their organization. The findings of the study revealed that 98% of the respondents acknowledged that they had strategic plan while 2% of the respondents indicated that they did not have strategic plan in their organization. These findings were presented in Figure 4.5.

Figure 4.5 Existence of strategic plan in the organization

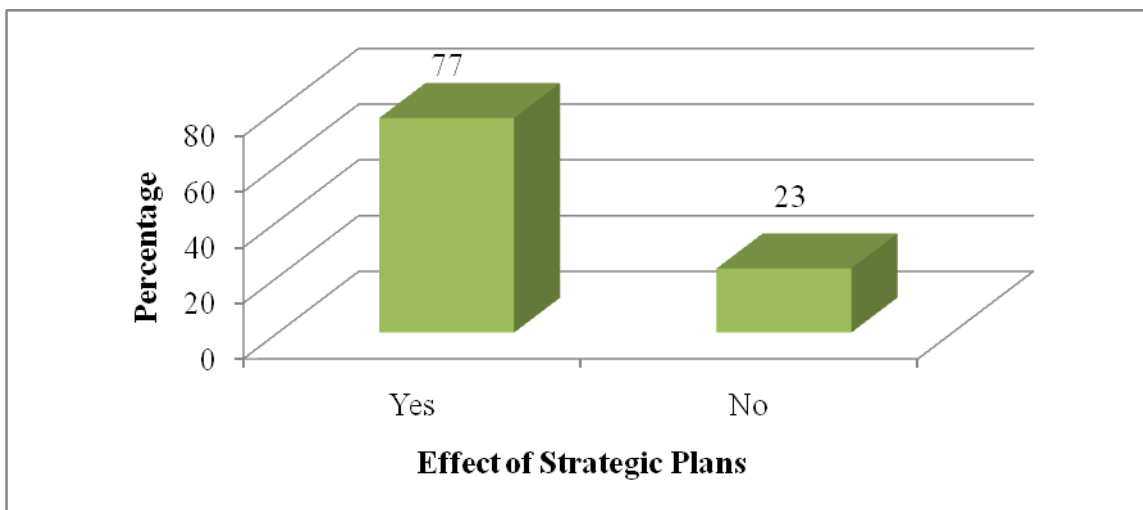


Source: Author, 2014

4.3.2 Effect of Strategic plans on the achievement of performance targets

In determining whether strategic plan affect the achievement of performance targets, the respondents were asked to indicate their views in line with the statement. The findings of the study revealed that 77% of the respondents agreed that strategic plans affect the achievement of performance targets while 23% of the respondents indicated that it had no effect on the performance. These findings are presented in Figure 4.6.

Figure 4.6 Effect of Strategic plans on the achievement of performance targets



Source: Author, 2014

The respondents were further asked to explain their answers. Those who mentioned that: strategic plans act as a catalyst in achieving the set targets/goals, it acts as a guide on how to perform duties, guides employees to meet their targets, it helps the organization to work towards achieving the set goals, It affects positively since it give directions when it comes to matters of implementing decisions, it ensures training thereby delivering service efficiently, it clearly explains the target goals of the ministry, it motivates employees to achieve their targets, strategic plans link individual objectives to the organization and that strategic plans ensures achievement of the targets.

4.3.3 The roles of strategic planning on Performance Targets

In establishing the factors influencing the performance, respondents were given different statements of some factors perceived to influence performance targets at ministry of industrialization and enterprise development. This was tested on a five point likert scale of 1-5; where 1 represented 'Strongly Agree', 2 represented 'Agree', 3 represented 'Neutral', 4 represented 'Disagree' and 5 represented 'Strongly Disagree'.

The scores 'Strongly Agree' was taken to be equivalent to mean score ranging from 0.0 to 1.0, 'Agree' with mean score ranging from 1.1 to 2.0, 'Neutral' with a mean score ranging from 2.1 to 3.0, 'Disagree' with a means score ranging from 3.1 to 4.0 and 'Strongly Disagree' with a means score ranging from 4.1 to 5.0. A standard deviation of > 1 represented a significant difference in the responses given.

The respondents were asked to indicate their level of agreement with statements on the roles of strategic planning in realizing the organization's goals. The findings were as presented in Table 4.2.

Table 4.2 Role of strategic planning

Statement	N	Mean	Std. Deviation
Strategic plans have helped in the formulation of targets to be met by the organization thus helping in putting up strategies to realise them	44	1.75	.892
Strategic planning helps organizations to take stock of where there are and thus formulates targets based on the organization's resources	44	2.36	1.014
Strategic plans determine what the organization wants to achieve within a given period and highlights on how the goals will be realized.	44	1.91	1.007

Source: Author, 2014

The findings on table 4.2 shows that the respondents agreed that strategic plans have helped in the formulation of targets to be met thus putting up strategies to realize them and that strategic plans determine what the organization wants to achieve within a given period and highlights on how the goals will be realized (mean score between 1.1-2.0). The study also found that the respondents were neutral about the fact that strategic planning helps organizations to take stock of where there are and thus formulates targets based on the organization's resources (mean of 2.36). There was significant difference in the responses given on the statement that strategic planning helps organizations to take stock of where there are and thus formulates targets based on the organization's resources and that strategic plans determine what the organization wants to achieve within a given period and highlights on how the goals will be realized (Standard deviation > 1). On the other hand, there was no significant difference on the statement that strategic plans have helped in the formulation of targets to be met by the organization thus helping in putting up strategies to realize them. According to FCAR (2001), strategic planning is not only about ensuring that an organization remains financially sound and be able to maintain its reserves, but it also projects where the organization expects to be in five, ten or fifteen years and how it will get there.

Asked to mention how strategic planning has helped the Ministry of Industrialization and Enterprise Development in realizing its performance targets, the respondents mentioned that: it has helped the ministry to focus on the set targets / goals and strive to meet the within time-lines, staff know what is expected from them, by providing a road map and clearly indicating how objective will be met, every department has its strategic plans every year thus making it easy for them to compile and improve its performance strategic, through training and improving its performance strategy, the ministry has a timeline for all activities in a given period, help in planning in order to achieve organizational goals and that it states roles and procedures of every department.

4.3.4 Effects of performance evaluation on realization of organization’s targets

The respondents were first asked to indicate whether their organization carryout performance evaluation. The study found that all the respondents (100%) indicated that their organization carryout performance evaluation.

The respondents were further asked to indicate the level of their agreement with statements on the effects of performance evaluation. The findings were presented in Table 4.3.

Table 4.3 Effects of performance evaluation

Statement	N	Mean	Std. Deviation
Performance evaluation helps in improvement of work performance by enhancing the productivity of employees thus achievement of organization target	44	1.18	1.147
Performance evaluation helps in the identification of excellent performers with the aim of rewarding people who are ready for promotion which helps in the achievement of performance targets	44	1.77	1.236
Performance evaluation helps in the identification of those who need some type of support to improve and increase their work performance to achieve the targets	44	1.84	1.160

Performance evaluation helps in determining whether the targets have achieved	44	1.23	.912
Performance evaluation helps in the placement of staff according to their ability thus helping in the achievement of organization targets.	44	3.07	1.336

Source: Author, 2014

The study found that the respondents agreed with the statement that performance evaluation helps in the improvement of work performance by enhancing productivity of the employees thus target achievement, that performance evaluation helps in the identification of excellent performers with the aim of rewarding people who are ready for promotion which helps in the achievement of performance targets, that performance evaluation helps in the identification of those who need some type of support to improve and that performance evaluation helps in determining whether the targets have been achieved (mean between 1.1-2.0). The study also found that respondents disagreed with the statement that performance evaluation helps in the placement of staff according to their ability thus helping in the achievement of organization targets (mean of 3.07).

Asked to mention other ways by which performance evaluation has helped in achievement of performance targets in their organization, the following were mentioned: that it allows the organization to identify weak areas, by defining the targets to be achieved on time lines, increase funds in targets where allocation is not enough, helps in improving performance, helps in discovering skills and promoting high performances with promotion, encouragement and empowerment of employees thus meeting their target, the top managers get to know where the problem lies, efficiency in service delivery, helps to set targets for each employee, identification of resources required, rewarding excellent performers and that it helps the employees within the organization to be effective and efficient in achieving the organizations' goals or objectives. Authors such as Hornby and Forte (2002); and Price (2000) discuss the main reasons for evaluating or measuring performance. They include the following: Improvement of work performance by enhancing the productivity of an employee; Identification of excellent performers with the aim of rewarding people who are ready for promotion; Identification

of those who need some type of support to improve and increase their work performance; Determining whether the set targets have been achieved and whether laid down standards have been adhered to; Remuneration according to achievement (merit pay); Detection and elimination of problem areas in jobs or the work environment; placement of staff according to their ability and reduction or elimination of grievances.

4.3.5 Effects of Technical Skills on realization of organization’s targets

The respondents were asked to indicate the level of agreement with statements on the effect of technical skills on the achievement of performance targets in organizations. The findings of the study were presented in Table 4.4.

Table 4.4 Effects of Technical Skills on realization of organization’s targets

	N	Mean	Std. Deviation
The employee must have technical skills that define and measure performance targets that are aligned to organizations overall vision and mission	44	1.43	1.149
Staff training and development is a great success in the organization	44	1.32	.983
Managers are well trained in dealing with performance targets problems	44	2.64	1.183

Source: Author, 2014

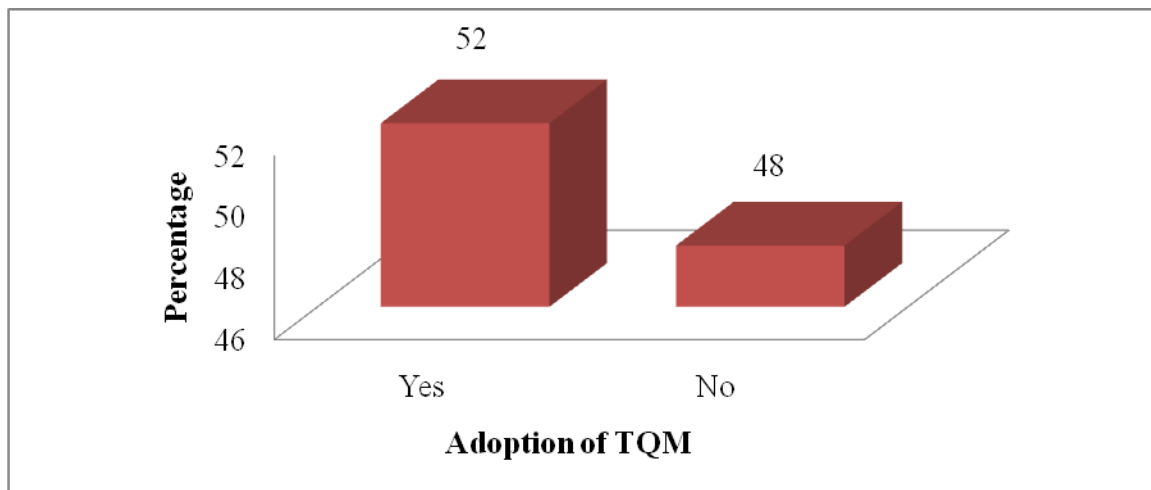
The findings on Table 4.4 shows that the respondents were neutral with the statement that managers are well trained in dealing with performance target problems (mean score of 2.64). The study also found that the respondents agreed with the statements that employees must have technical skills that define and measure performance targets that are aligned to organization’s overall vision and mission and that staff training and development is great success in the organization (mean score between 1.1-2.0).

Asked to explain how technical skill has helped in achievement of performance targets, the respondents mentioned that: it helps in improving employee efficiency, concentration on the area one is skilled on thus producing good quality, leads to improved productivity, planning is effected at all levels and improving the technical skills of employees.

4.3.6 Total Quality Management (TQM) on performance targets

In assessing if the organization adopted total quality management in ensuring quality service, the respondents were asked to indicate their views. The findings of the study revealed that 52 % of the respondents indicated that their organization had adopted TQM practices while 48% indicated that the organization had not adopted TQM. The findings were presented in Figure 4.7.

Figure 4.7 Adoption of Total Quality Management (TQM)



Source: Author, 2014

Some of the TQM strategies adopted included: Quick results, quality delivery, quality products, service charter, quarterly returns, work plans, procurement plan, appraisal, customer care, security and delivering services.

4.3.7 Effect of Total Quality Management (TQM) on performance targets

The respondents were asked to indicate their agreement level with the statement on the effects of TQM on the realization of performance targets in organization. The findings of this study were represented in Table 4.5.

Table 4.5 Effect of Total Quality Management (TQM) on performance targets

Statement	N	Mean	Std. Deviation
TQM helps in improving the quality of services provided by the ministry of Industrialization and Enterprise Development to its clients	44	1.20	1.112
TQM helps in delivery of services to the organization clients effectively and timely	44	1.23	1.138
Information system management has helped in the realization of the organization's targets by enhancing communication	44	1.16	1.140
TQM helps in the minimization of time wastage thus channeling resource towards realizing the organization's goals.	44	2.36	1.241

Source: Author, 2014

The findings of the study show that the respondents were neutral with the statement that TQM helps in the minimization of time wastage thus channeling resource towards realizing the organization's goals (mean score of 2.36). The study also found that the respondent agreed with the statements that TQM helps in improving the quality of services provided by the ministry of industrialization and Enterprise Development to its clients, that TQM helps in delivering services to the organization clients effectively and timely and that information systems management has helped in the realization of the organization's targets by enhancing communication (mean score between 1.1-2.0). These findings are in line with Huang and Lin (2002) who found that TQM helps in improving the quality of products and also reduces the scrap, rework and the need for buffer stock by establishing a stable production process. He argued that TQM will reduce the cost of production and time of production. Continuous improvement which is a feature of TQM is said to reduce the product cycle time thus improving productivity.

On the ways by which TQM helps in improving performance, the following were mentioned: Improved work output and efficiency for the organization, interaction at all levels from top to bottom, effective planning, by setting targets to each employee and the duration it should take and eliminating duplications. According to Porter (1996), the implementation of TQM ensures that every worker in the organization does his work with quality the first time, thus improving the efficiency of operation and avoiding some cost associated with waste. This in turn will offer more value to customers in terms of price and service quality, thus making them satisfied. Implementation of TQM further ensures that organizations change how they perform activities so as to eliminate inefficiency, improve customer satisfaction and achieve the best practice.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In the previous chapter, the findings and discussion of findings has been presented. This chapter therefore presents the summary of findings, conclusions and recommendations of the study. The general objective of the study was to analyze the perceived factors influencing performance targets at Ministry of Industrialization and Enterprise Development.

5.2 Summary of findings

On the determination of the effect of strategic plan on achievement of performance targets, the study found that 77% of the respondents agreed that strategic plans affect the achievement of performance targets. This was evidenced by the fact that the respondents agreed that strategic plans have helped in the formulation of targets to be met thus putting up strategies to realize them and that strategic plans determine what the organization wants to achieve within a given period and highlights on how the goals will be realized (mean score between 1.1-2.0).

On the effect of performance evaluation on achievement of targets, the study found that the respondents agreed with the statement that performance evaluation helps in the improvement of work performance by enhancing productivity of the employees thus target achievement, that performance evaluation helps in the identification of excellent performers with the aim of rewarding people who are ready for promotion which helps in the achievement of performance targets, that performance evaluation helps in the identification of those who need some type of support to improve and that performance evaluation helps in determining whether the targets have been achieved (mean between 1.1-2.0).

Regarding the effect of training on achievement of performance targets, the study found that the respondents agreed with the statements that employees must have technical skills that define and measure performance targets that are aligned to organization's overall

vision and mission and that staff training and development is great success in the organization (mean score between 1.1-2.0).

The study finally found that found that the respondent agreed with the statements that TQM helps in improving the quality of services provided by the ministry of industrialization and Enterprise Development to its clients, that TQM helps in delivering services to the organization clients effectively and timely and that information systems management has helped in the realization of the organization's targets by enhancing communication (mean score between 1.1-2.0).

5.3 Conclusion

From the findings of the of the study, it can be concluded that factors such as strategic planning, performance evaluation, technical skills and TQM affect the achievement of performance targets at the Ministry of Industrialization and Enterprise Development.

5.4 Recommendations

The following were the recommendations for the study:

The study recommends that the organization should put more emphasis development and training among the staff. This will influence the performance of the employees leading to the realization of organizational goals

The study also recommends that supervisors and managers should work closely with the employees to monitor their performance and recommend on the areas of training for improvement.

The study finally recommends that should clearly set the individual goals and targets. This will guide employees in knowing what is expected from them thus achieving the performance targets.

5.5 Recommendations for further research

This study was carried out only in the ministry of Industrialization and Enterprise Development. The researcher therefore recommends that another study be carried out in other ministries on the challenges facing the achievement of performance targets which was not the concern of this study.

5.6 Limitations

The main limitations of this study were that some respondents refused to fill in the questionnaires. Further some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

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Strategic plans has helped in the formulation of targets to be met by the organization thus helping in putting up strategies to realize them					
Strategic planning helps organizations to take stock of where there are and thus formulates targets based on the organization's resources.					
Strategic plans determine what the organization wants to achieve within a given period and highlights on how the goals will be realized.					

9. How has strategic planning helped Ministry of Industrialization and Enterprise Development in realizing its performance targets?_____

10. Do your organization carryout performance evaluation of its employees?

Yes [] No []

If yes, how often are the performance evaluation among employees carried out in your organization?_____

11. The following are some statement on the effect of performance evaluation on realization of organization's target. Please indicate the level of your agreement with each statement in relation to the Ministry of Industrialization and Enterprise Development?

1-Strongly agree

2-Agree

3-Neither agree nor disagree

4-Disagree

5-Strongly disagree

Statement	1	2	3	4	5
Performance evaluation helps in the improvement of work performance by enhancing the productivity of employees thus achievement of organization target					
Performance evaluation helps in the identification of excellent performers with the aim of rewarding people who are ready for promotion which helps in the achievement of performance targets					
Performance evaluation helps in the Identification of those who need some type of support to improve and increase their work performance to achieve the targets					
Performance evaluation helps in determining whether the targets have been achieved					
Performance evaluation helps in the placement of staff according to their ability thus helping in the achievement of organization targets					

12. What are other ways by which performance evaluation helps in the achievement of performance targets in your organization?_____

13. The following are some of the statements on the effect of technical skills on the achievement of performance targets in organizations. Please indicate the extent to which you agree or disagree with the following statements in relation to the Ministry of industrialization and enterprise development

- 1-Strongly agree 2-Agree 3-Neither agree nor disagree**
4-Disagree 5-Strongly disagree

	statement	1	2	3	4	5
	The employees must have technical skills that define and measure performance targets that are aligned to organizations overall vision and mission.					
	Staff Training and Development is a great success in the organization					
	Managers are well trained in dealing with performance targets problems.					

14. What are other ways by which technical skills helps in the achievement of performance targets in your organization? _____

15. Has your organization adopted total quality management strategy in ensuring quality service to the clients? Yes [] No []

If yes, what are some of the TQM strategies available in your organization?

16. The following are statements on the effect of TQM on the realization of performance targets in organization. Please indicate the level of your agreement with each.

1-Strongly agree

2-Agree

3-Neither agree nor disagree

4-Disagree

5-Strongly disagree

TQM helps in improving the quality of services provided by the Ministry of Industrialization and Enterprise Development to its clients					
TQM helps in delivering services to the organization clients effectively and timely					
Information systems management has helped in the realization of the organization's targets by enhancing communication					
TQM helps in the minimization of time wastage thus channeling resource towards realizing the organization's goals					

17. What are other ways by which total quality management has helped in the achievement of performance targets in your organization?_____

18. What would you recommend to be done to improve the realization of performance targets at the Ministry of Industrialization and Enterprise Development?_____
