PERCEIVED RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND EMPLOYEE PERFORMANCE IN KENYA MEDICAL TRAINING COLLEGE HEADQUARTERS

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A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA), SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

2014
DECLARATION

I declare this research project is my original work and has not been submitted in any other University or institution for examination/academic purposes.

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D61/72389/2011

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ACKNOWLEDGEMENTS

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In my literature review I have cited quite a lot of scholarly publication. Some are from earlier research finding from project done by other MBA students. I have used scholarly papers from the wider academia. These are works without which I could not have had a scholarly insight into this research

Above all, I thank God for blessings during my study.
DEDICATION

To Almighty God for giving me strength and wisdom

To my wife, Alice Kawira

For the love and the faith she had in me.

To my mum and dad for their love of knowledge that inspired me and sacrifice to see me go through Education.

To my child, Katelynn Kendi whose presence all the time encouraged me.

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To my other brother Erick Mwenda, Sister Annsusy Kiende, cousins aunts and uncles’ for your oral support.

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<table>
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<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>CIPD</td>
<td>Chartered Institute of Personnel Development</td>
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<td>EPS</td>
<td>Earnings Per Share</td>
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<td>HR</td>
<td>Human Resource</td>
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<td>ISR</td>
<td>International Survey Research</td>
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<td>KMTC</td>
<td>Kenya Medical Training College</td>
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<tr>
<td>PMS</td>
<td>Performance Management System</td>
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<tr>
<td>SACCO</td>
<td>Savings and Credit Co-operative</td>
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<tr>
<td>SPSS</td>
<td>Statistics Package for Social Sciences</td>
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<td>UK</td>
<td>United Kingdom</td>
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<td>SD</td>
<td>Standard Deviation</td>
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ABSTRACT

The success of any organization depends on human resource. An organization may have equipments and resources but cannot succeed without people. Employee engagement is therefore done to bring about a situation in which the employee by free choice has an intrinsic desire to work in the best interest of the organization. Employees who are engaged give organizations crucial competitive advantage including higher productivity and lower employee turnover. This research was carried out to determine the perceived relationship between employee engagement and employee performance at KMTC Headquarters. The research design used was a descriptive census survey where all members of staff at KMTC headquarters participated. Self administered questionnaires were used to collect the primary data used for the research. Descriptive statistics such as means and standard deviation were used to analyze the data. The results indicate that the workers have good working relationship with their boss and that the bosses even provide good support for improved performance of work. The management should come up with a support policy so that issues that bring about higher performance are given higher support. The workers also get on well with colleagues which indicate there is team work and should be enhanced. On the other hand, the workers indicated strong dissatisfaction with their work with most indicating that they were not involved in the decision making processes affecting their work. The decision making should be more inclusive so that relevant members of staff provide input to decisions that affect them. There was also an indication of not being happy with the remuneration package despite being technically competent to perform duties. The results also indicate that workers have respect for national diversity and gender, work well as a team with colleagues, focus on customers/citizens and perform duties and responsibilities professionally. Though, do not always achieve performance targets, have poor time management, and creative and innovativeness is poor. The study found a strong positive relationship between employee engagement and employee performance. The study concludes that involving employees in making decisions at work place increases employee engagement and performance. Equally, equal treatment of workers with similar qualifications in terms of equal remuneration leads to Employee Engagement. The study recommends that the management comes up with a support policy that focuses on issues that will bring about higher performance. The study also recommends the improved use of teams approach to work. Further, decision making should be more inclusive so that relevant members of staff provide input to decisions that affect them. Engagement of employees in the work environment should be carefully done since it is closely connected to performance.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The success of any organization depends on the human resource. An organization may have equipments and resources but cannot succeed without people. All organizations are started and run by people regardless of the kind of activities undertaken. Human resource therefore is the most important resource an organization can have (Nzuve, 2010). Most of the problems in many organizations according to Mamoria and Gankar, (2003) are human and social rather than physical, technical or economical. Therefore human resource in an organization determines the success of that organization. People, according to Cole, (2002) are the greatest single asset available to an enterprise. Unfortunately however people are the only asset that can actively work against the organizations goal. It is, therefore, only by collaborative efforts that people can find a release for their latent energy and creativity in the service of the enterprise. This is possible through employee engagement which makes them more productive, fully absorbed and enthusiastic about their work.

Employee engagement aim to bring about a situation in which the employee by free choice has an intrinsic desire to work in the best interest of the organization. According to Robinson et al, (2004) engaged employee goes an extra mile, believes in and identifies with the organization, wants to work to make things better, understands the business context and the bigger picture and respects and helps colleagues. Alfes et al, (2010) stated that engaged employees perform better, are more innovative than others, are more likely to want to stay with the employer, enjoy greater levels of personal wellbeing and perceive
their work load to be more sustainable than others. Employee engagement is manifested in positive attitudes (for example job satisfaction, organizational commitment and identification with the organization) and behavior (low labour turn over and absence and high citizenship behavior) on the part of employees, and evidence of perceptions of trust, fairness and a positive exchange within a psychological contract where two way promises and commitment are fulfilled (Guest, 2009).

Employee performance helps an organization get better results hence customer satisfaction and increased profits. It also helps to align the individual objectives to organizational objectives and encourages them to uphold corporate core values, enables expectations to be defined and agreed in terms of role responsibilities and accountabilities (expected to do) skills (expected to have) and behaviors’ (expected to be), provides opportunities for them to identify their own goals and develop their skills and competencies (Armstrong, 2012).

Khan et al., (2010), argues that organizational goals are directly proportional to the personal goals of an individual and that organizational productivity can be increased if employees are self-motivated towards their work rather than being directed. This can be achieved through employee engagement. Kahn, (1990) noted that one of the main functions of the human resource manager is to keep the employees satisfied with their jobs. Employees with high levels of Engagement perform better and are less likely to leave the organization which indicates engagement is linked to performance. Higher level of engagement leads to higher performance.
1.1.1 The Concept of Perception

Perception refers to our sensory experience of the world around us and involves both the recognition of environmental stimuli and actions in response to these stimuli. Through the perceptual process, we gain information about properties and elements of the environment that are critical to our survival. Perception not only creates our experience of the world around us; it allows us to act within our environment. It is a process through which people choose, organize and interpret information in order to form a meaningful picture of the world (Kotler, 1997). Winter, (2003) defined perception as the process by which people translate sensory impressions into a coherent and unified view of the world around them.

Perception according to Armstrong, (2012) refers to the attitude employees have towards policies that deal with pay, recognition, promotion, quality of work life and the influence of the group with whom they identify. Perception of engagement therefore is very vital towards the success of any organization. Recognizing employees’ contribution leads to a friendly work environment that motivates and propels people to offer quality service and stay longer in an organization.

1.1.2 Employee Engagement

The history of research into engagement dates back to Kahn, (1990) who defined employee engagement as the “harnessing of organization members” selves to their work roles, in engagement people employ and express themselves physically, cognitively and emotionally during role performance. Engaged employees are fully present, and draw on their whole selves in an integrated and focused manner to promote their role
performance. They are willing to do this because three antecedent conditions are met: Employees feel psychologically safe in the presence of others to apply themselves in their role performances, they have sufficient personal resources available to devote to such performances, and their work is sufficiently meaningful that such personal investment is perceived as worthwhile (Kahn, 1990).

Employee engagement is the heightened emotional and intellectual connection that an employee has for his or her job, organization, manager or co-workers that in turn influences him or her to apply additional discretionary effort to his or her work. It is the emotional commitment the employee has to the organization and its goals. Engaged employees care about their work and company thus use discretionary efforts. For example working overtime when needed without being asked to do so.

Macleod and Charke (2009) pointed out that employee engagement is about establishing mutual respect in the work place for what people can do or be. They also observed that engagement is two way; organizations must work to engage employees, who in turn has a choice about the level of engagement to offer the employer. Employee engagement requires a work environment that does not just demand more but promotes information sharing, provides learning opportunities and fosters a balance in peoples’ lives thereby creating the basis of sustained energy and personal initiative (Alfes et al, 2010). Engagement is very vital at work place because it determines employees’ performance. Engaged employees perform better hence leading to organizational effectiveness and efficiency.
1.1.3 Employee Performance

Employee performance is defined as to how well something is done. Performance was defined by Bernadian et al, (1995) as simply the outcomes of work, a record of person’s accomplishments. Robinson et al, (2004) defined performance as behavior and stated that it should be distinguished from the outcomes because they can be contaminated by systems factors. Performance refers to keeping up plans while aiming for the results. The increasing competitive pressures and unpredictable business environment is forcing organizations to continually look for ways to make employees achieve high performance. Performance helps an organization to get better results hence customer satisfaction and increased profits. The competitiveness of any organization is determined by the performance of the employees, who are responsible for delivering value to the customers, generate revenue and at the same keep costs down. According to Kotler, (1997) growing organizations attention is being devoted to investigate how to attain maximum customer satisfaction through improving their internal employees’ performance, in response to competitive pressures in the market.

Although performance evaluation is the heart of performance management (Cardy, 2004), the performance of an individual or an organization depends heavily on all organizational policies, practices and design features of an organization. This integrative perspective represents a configurational approach to strategic human resources management which argues that patterns of HR activities, as opposed to single activities, are necessary to achieve organizational objectives (Delery and Doty, 1996). Employee engagement is one of the key determinants fostering high levels of employee performance (Macey et al, 2009).
1.1.4 Kenya Medical Training College


Today, eight decades since it was established, KMTC has grown tremendously, curving a niche for itself as one of the largest medical training institution in East and Central Africa- drawing students from Uganda, Tanzania, Burundi, Rwanda, Namibia, Sudan and Nigeria. A hub for international students, KMTC is a leading training institution for the Sudan as well as for Central, Eastern, Southern Africa and other Northern African countries. With over 13,000 students attending more than 50 medical courses, KMTC makes the biggest contribution to the health sector in Kenya. Propelled by its ambitious vision to become a center of excellence in the training and development of competent health professionals, KMTC has continued to churn out more than 3000 graduates, accounting for more than 80 percent of health workers in the Kenyan health care facilities (KMTC 2013).

KMTC has a total number of staff of about 1900 teaching and support staff together. The success of Kenya Medical Training College can only be achieved through attraction, remuneration and retention of the right people. The growth of the college has been attributed to recruitment and retention of highly skilled employees. The college has also
introduced training and development department to oversee staff training and other social welfare to increase staff motivation hence increased productivity. Despite all this, a look at performance appraisals reveals that the employees don’t perform as required. There is need to put in place proper strategies to ensure employees are engaged in order to perform, hence reduce complains, absenteeism and staff turnover.

1.2 Research Problem

According to Chartered Institute of Personnel Development (CIPD) (2007) employees are increasingly being recognized by organizations as the key business drivers. Employers must therefore find ways to retain talented people in the organization and at the same time keep costs low in order to remain competitive in the market. Engagement is a significant factor in people’s performance at work place and it influences employee contribution to organizational effectiveness and efficiency. Employees who are engaged in their work have an energetic, enjoyable and effective connection with their work (Kahn, 1990). Higher levels of employee engagement are associated with increased return on assets’ higher earning per employee, higher performance, greater sales growth, lower employee turn-over and lower absenteeism (Harter et al, 2002). Employee engagement is a good tool to help every organization to strive to gain competitive advantage over the others. The maximum prosperity of both employees and employer is usually seen in relation to performance and productivity (Landen, 1982). Lots of studies have been done on ways of increasing employee performance but despite this employee engagement is still complex in many organizations. Managements employ management practices and strategies that exclude employees from daily running of the organization and employee engagement is suppressed.
Kenya Medical Training College has put in place a conducive working environment which includes spacious office, well ventilated, high standard furniture and other welfare amenities. The organization has put in place policies to ensure that the management offers support to the staff to motivate them towards improving the performance. The college uses performance contracts to enhance employee performance. The performance contract is cascaded down from the director to the senior managers, then to the middle level managers and finally to the lower level employees. The indicators of performance in the performance contract include; financial indicators like cost reduction, service delivery indicators like service delivery improvements, non-financial indicators like asset management and implementation of constitution, operations indicators like conduct of short courses for workers and release of formative examination within two weeks as per policy, dynamic indicators like employee satisfaction, work environment and safety measures. The college uses performance appraisal to measure performance. A look at the performance appraisals reveals that most of the employees’ score “2” which indicate performance targets partially met as per the rating scale. This means that something should be done to improve the performance to scale “4” which indicates performance targets fully met and exceeded in several areas as per the college performance appraisal rating scale.

In Kenya a number of studies related to Employee Engagement and Employee Performance have been done. Mutunga (2009) researched on factors that contribute to the level of employee engagement in the telecommunication industry in Kenya at Zain Kenya. The studies established that several factors contribute to employee engagement but, salary and benefits was the largest contributor. Ndugo (2010) researched on
employee engagement in Afya SACCO. Her studies established that pay rise, promotions, training and seminars were the key factors affecting employee engagement at Afya SACCO. Wachira (2013) carried a research on relationship between employee engagement and commitment in Barclays Bank of Kenya. The study established a positive correlation between employee engagement and commitment in Barclays Bank of Kenya.

No studies have yet been carried on relationship between employee engagement and employee performance with specific reference to Kenya medical training college which is in the service industry. This research will therefore seek to establish relationship between employee engagement and employee performance in the service industry with specific reference to Kenya Medical Training College; hence research question “what is the relationship between employee engagement and employee performance at Kenya Medical Training College?”.

1.3 Objective of the Study

To determine the perceived relationship between employee engagement and employee performance in Kenya Medical Training College Headquarters, Nairobi

1.4 Value of the Study

The study will be important to Kenya Medical training college management as it will give them insights to the importance of highly engaged employees as this would lead to better performance, less turnover and increased loyalty of employees to the organization. The HR department of Kenya Medical Training College will find the study important
because they will use the findings to align the HR policies to the organizational objectives in order to increase performance. The department will also better understand the relationship between employee engagement and employee performance.

The study will be important to other stakeholders who value the importance of employee engagement as a method of increasing performance. For example, ministry of medical services for making policy decisions whose overall objectives is to increase employee performance and reduce turnover rate thus improving service delivery. The information will also be used by other related organizations to make decisions that aim to improve the performance thus gaining competitive advantage.

Scholars’ will find the study important as it will increase the body of knowledge on the perceived relationship between employee engagement and employee performance. The scholars will also benefit from the study by using the findings to prove theories. It can also be used by scholars as a basis for further research on other variables and methodologies not included in the study.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents the literature that was reviewed to provide a theoretical basis for the study. It provides information from publications on topics related to the research problem.

2.2 Theoretical Foundation of Study

Saks (2006) suggested that a strong theoretical rationale for employee engagement is provided by social exchange theory. The theory argues that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence. According to the theory relationships evolve over time into trusting, royal and mutual commitments as long as parties abide by certain rules of exchange. It involves reciprocity or repayments rules such that the actions of one party lead to a response or actions by the other party (Armstrong, 2012). This is in consistent with the description of engagement by Robinson et al (2004) as a reciprocal relationship of trust and respect between employer and employee. It requires an organization’s executives and managers to communicate their expectations, clearly and extensively, with the employees, empower the employees at the appropriate levels of their competence, and create a working environment and corporate culture in which engagement will thrive. According to Balain and Sparrow (2009), social exchange theory best describes engagement because it sees feelings of loyalty, commitment, discretionary effort as all being forms of reciprocation by employees to a good employer.
Employee engagement can also be traced back to the classical theories of employee motivation (Hertzberg, 1966). The concept relates to Frederic Hertzberg’s dual factor theory of motivation. According to the theory two types of motivators exist; factors that result in satisfaction with one’s job and those that result in dissatisfaction. He stated that intrinsic factors are related to job satisfaction while extrinsic factors relate to dissatisfaction. The motivation element in engagement is intrinsic. When the work itself is meaningful it is also said to have intrinsic motivation. This means that it is not the pay or recognition that yields positive feelings of engagement, but the work itself (Macey et al 2009). Intrinsic motivation is said to exist when behavior is performed for its own sake rather than to obtain materials or social reinforcers. Intrinsic motivation arises from self generated factors that influence people’s behavior. It can take the form of motivation by the work itself when individuals feel that their work is important, interesting and challenging and provides them with a degree of autonomy, opportunities to achieve and advance, and scope to use and develop their skills and abilities (Armstrong, 2012). The job itself must provide sufficient variety, sufficient complexity, sufficient challenge and sufficient skill to engage the worker.

The underlying conceptual foundations for performance management lie in motivation theory and, in particular, goal theory, control theory and social cognitive theory (Buchner 2007). The goal theory states that motivation and performance are higher when individuals are set specific goals, when goals are difficult but accepted, and when there is feedback on performance. It entails a process of managing, motivating and appraising people by setting objectives or goals and measuring performance against those objectives.
The theory supports the emphasis in performance management on setting and agreeing objectives against which performance can be measured and managed (Armstrong, 2012).

Control theory focuses attention on feedback as a means of shaping behavior. As people receive feedback on their behavior they appreciate the discrepancy between what they are doing and what they are expected to do and take corrective action to overcome the discrepancy. Feedback is recognized as a crucial part of performance management process (Armstrong 2012). Social cognitive theory on the other hand is based on central concept of self efficacy. This suggests that what people believe they can or cannot do powerfully impacts on their performance (Bandura, 1986).

2.2.1 Employee Engagement Levels

There are three types of people: engaged employees, not engaged employees and actively disengaged employees (Gallup, 2005). Engaged employees are builders who consistently strive to give excellence within their roles. They are dedicated to their role, less likely to leave the company, more productive, give better customer service and in turn create greater profits in organization. According to Coffman, (2003) they have a desire to know the expectations for their roles so that they can both meet and exceed them. They take pride in their work and will put in extra time to get task completed to a good standard, not for financial gain but out of a personal sense of commitment known as discretionary effort (Frank et al, 2004). They speak positively about others and encourage them to use their service.

Not engaged employees focus on the tasks spelled out to them rather than the goals of the organization. They do what they are told to do. They are “checked out” and “sleep
walking” through their day, simply doing the necessary; attending work and getting the basic requirement of the job done without interest, energy, passion or any personal investment (Gallup, 2005). They are usually neither negative nor positive about their company, adopting “wait and see” attitude to their jobs, managers and coworkers (Coffman, 2003). Where engaged employees will put in extra effort of their every day as part of their every day pattern, non engaged employees are interested only in getting by and will not be willing to work extra without inducement.

Actively disengaged employees are dangerous individuals who not only don’t perform well but also demotivate the performer in the organization (Gallup, 2005). They are unhappy in their work and often don’t care who knows it. They are acting out of their unhappiness. They may be highly vocal in their complaints and criticism against the company undermining colleague’s attempts at maintaining a positive attitude and atmosphere and their carelessness approach to their work may reduce any advantage generated by more willing work mates.

2.2.2 Determinants of Employee Engagement

Compensation or Remuneration is one factor that determines employee engagement. Compensation motivates an employee to achieve more and hence focus more on work and personal development. It involves both financial and non-financial rewards. Attractive compensation comprises a combination of pay, bonuses, other financial rewards as well as non financial rewards like extra holiday and voucher schemes. A study by Saks and Rotman (2006) revealed that recognition and rewards are significant antecedents of employee engagement. They noticed that when employees receive rewards
and recognition from their organization, they will feel obliged to respond with higher levels of engagement. Kahn (1990) observes that employee’s level of engagement is a function of their perceptions of the benefits they receive. Therefore irrespective of the type of reward, it is the employee’s perception of the same that determines his/her content and thereby one’s engagement in the job. It becomes essential for management to present acceptable standards of remuneration and recognition for their employees, if they wish to achieve a high level of engagement. When an organization or a supervisor rewards or recognizes an employee or team, they are communicating in a powerful way what types of activities and accomplishments the organization values. By granting this recognition, the organization is reinforcing what kind of effort and what types of behaviors it would like to see repeated by other employees. Recognition and rewards are also a method organizations use to make employees feel respected and valued.

Work environment is another significant factor that determines the engagement level of an employee. Engagement requires a work environment that does not just demand more but promotes information sharing, provides learning opportunities and fosters a balance in people’s lives, thereby creating the basis for sustained energy and personal initiative (Macey et al 2009). Studies by Harter et al. (2002), May et al. (2004) show that employee engagement is the result of various aspects of the workplace. Management which fosters a supportive working environment typically displays concern for employees’ needs and feelings, provides positive feedback and encourages them to voice their concerns, to develop new skills and to solve work-related problems. Therefore a meaningful workplace environment that aids employees for focused work and interpersonal harmony is considered to be a key determinant of employee engagement.
Training and Career Development is another important dimension which is to be considered in the process of engaging employees since it helps the employees to improve knowledge and skills hence enhance performance and productivity in an organization. Training improves service accuracy and thereby impacts service performance and employee engagement (Paradise, 2008). When the employee undergoes training and learning development programs, his/her confidence builds up in the area of training that motivates them to be more engaged in their job. Alderfer (1972) even suggested that when an organization offers employees a chance to grow, it is equivalent to rewarding people. He emphasized that “satisfaction of growth needs depend on a person finding the opportunity to be what he or she is most fully and become what he or she can”. The career path ladder through training and development needs to be given importance by management which will lead to timely opportunities for growth and development. This improves automatically the level of engagement.

Leadership is another factor that determines employee engagement. Leadership should ensure a strong, transparent and explicit organizational culture which gives employees a line of sight between their jobs and the vision and aims of the organization. Effective leadership is a higher-order, multi-dimensional construct comprising of self-awareness, balanced processing of information, relational transparency, and internalized moral standards (Walumbwa et al. 2008). Engagement occurs naturally when leaders are inspiring. Leaders are responsible for communicating that the employees’ efforts play a major role in overall business success. When employees work is considered important and meaningful, it leads obviously to their interest and engagement. Authentic and supportive leadership is theorized to impact employee engagement of followers in the
sense of increasing their involvement, satisfaction and enthusiasm for work (Schneider et al., 2009).

Organizational policies, procedures, structures and systems decide the extent to which employees are engaged in an organization. It has been evident from previous research that amiable organizational policies and procedures are extremely important for employee engagement and the eventual achievement of the business goals. Important policies and procedures may include fair recruitment and selection, flexi-timing, aid in balancing work and life, and fair promotional policies. Studies by (Schneider et al. 2009) show that the recruitment policy of an organization has a direct impact on future employees’ engagement. Richman et al. (2008) argue that an organization’s flexible work-life policies have a notable positive impact on employee engagement. Various other studies (Woodruffe, 2005, Rama Devi, 2009) have emphasized the importance of organizational policies and procedures that best support flexible work arrangements that help in balancing employee work and home environments; organizations that have such arrangements are more likely to have engaged employees.

Workplace wellbeing is a holistic measure that enhances employee engagement. Gallup’s data suggest that there is no metric that captures more variance in human behavior than wellbeing. Wellbeing is defined as “all the things that are important to how we think about and experience our lives” (Rath and Harter, 2010) and therefore, wellbeing becomes the most important measure for gauging the influence organization has on employees.
Team and Co-worker relationship is another aspect that emphasizes explicitly the interpersonal harmony aspect of employee engagement. Kahn (1990) found that supportive and trusting interpersonal relationships, as well as a supportive team, promote employee engagement. An open and supportive environment is essential for employees to feel safe in the workplace and engage totally with their responsibility. Supportive environments allow members to experiment and to try new things and even fail without fear of the consequences (Kahn, 1990). May et al. (2004) found that relationships in the workplace had a significant impact on meaningfulness, one of the components of engagement. Locke and Taylor (1990) focused on the relatedness needs that individuals possess, and argued that individuals who have positive interpersonal interactions with their co-workers also should experience greater meaning in their work. Thus if the employee has good relationships with his co-workers, his work engagement is expected to be high.

Involvement and Participation determines employee engagement. Many organizations are faced with the challenges of managing and empowering their employees to actively participate in decision making. In this current economic environment, organizations require creative and innovative employees who can take initiative, embrace change, stimulate innovation and cope with high uncertainty in the market. The idea of empowerment involves the employees being provided with a significant degree of freedom and flexibility to make decisions relating to work without direct involvement of the top management. Employee’s involvement and participation thus contribute greatly to how organizations make decision and run their businesses. Managers should therefore have an influence power to get employees to involve in making decision and completing
the daily up-to-date organization progress and objectives to build employee’s confidence. It is very important that the organization create an environment to all employees with the open feedback to make sure that employees are treated with equal opportunities to contribute their feedback or ideas openly and honest for the good of the company and themselves.

2.3.1 Measurements of Employee Performance

Measurement is the basis for providing and generating feedback, it identifies where things are going well to provide foundations for building further success, and it indicates where things are not going so well, so that corrective action can be taken. The goal of evaluation should be to encourage professional excellence from the employees, rather than be used as a tool to point out short comes (Armstrong, 2012).

360-degree feedback—also referred to as multi-rater or multi-source feedback is a new approach to performance and performance measurement. It is the process whereby individuals receive feedback from a variety of stakeholders about the way they carry out their jobs. Performance feedback is typically collected from colleagues, direct reports, line managers, internal and external customers, as well as the individual. The rationale behind such multiple evaluations is that an individual obtains a breadth of information which would not normally be available, and that other people, beyond the immediate line manager, who observes or experiences an individual’s behavior, is in a strong position, and in some aspects uniquely qualified, to evaluate it (van der Heijden and Nijhof, 2004).

Balanced Scorecard is another method that can be used to measure performance. Kaplan and Norton, (2000) argued that a balanced score card as a performance measurement
framework added strategic non-financial performance measures to traditional financial metrics to give managers and executives a more 'balanced' view of organizational performance. Balanced score card is used to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals. The balanced scorecard approach as provided for by Kaplan and Norton provides a clear prescription as to what companies should measure to ensure a complete and balanced view of employee performance. The balanced scorecard suggests that performance should be measured from four perspectives namely; the learning and growth perspective, the business process perspective, the customer perspective and financial perspective.

Performance Appraisals is another way of measuring employee performance. An employee performance appraisal is one of the most comprehensive and common ways to measure how well your company work force is performing. It is a formal assessment and rating of individuals by their managers at or after a review meeting (Armstrong, 2012). It has been discredited because it is difficult to accurately and objectively measure employee performance. As Armstrong and Murlis (1998) asserted, performance appraisal too often degenerated into ‘a dishonest annual ritual’.

2.4 Employee Engagement and Employee Performance

Performance has a significant impact on organizational effectiveness (Cardy, 2004) and therefore it has to be the immediate priority of managers. Studies (Buchner, 2007) have shown that organizations today face challenges that require attention to improving performance management. One important way to enhance the performance is to focus on
nurturing employee engagement. Employee engagement is a good tool to help every organization to strive to gain competitive advantage over the others. Employee engagement is one of the key determinants fostering high levels of employee performance, as is constantly shown in a number of studies (Macey et al., 2009; Banks, 2006).

Employee engagement predicts employee outcome, organizational success and financial performance. Research by the CIPD has repeatedly demonstrated the links between the way people are managed, employee attitudes and business performance. Moreover, engaged employees have been found to outperform their disengaged counterparts. However, recent research in the UK and other countries shows that there are more disengaged employees than there are engaged employees in today’s organizations. Employee engagement can and has been found to make a difference. However there is great disagreement surrounding how to define engagement, how it should be operationalized and whether or not it is actually a valid construct at all. Furthermore, it is evident that sound, academic research lags somewhat behind practice given that the literature is under developed, and the concept of engagement is still in its infancy.

The Gallup Organization (2005) found critical links between employee engagement, customer loyalty, business growth and profitability. The International Survey Research (ISR) team has similarly found encouraging evidence that organizations can only reach their full potential through emotionally engaging employees and customers (ISR, 2004). Higher workplace engagement predicts higher earnings per share (EPS) among publicly-traded businesses. When compared with industry competitors at the company level, organizations with more than four engaged employees for every one actively disengaged,
experienced 2.6 times more growth in EPS than did organizations with a ratio of slightly less than one engaged worker for every one actively disengaged employee.

Higher levels of employee engagement are associated with increased return on assets, higher earning per employee, higher performance, greater sales growth, and lower absenteeism (Banks, 2006; Harter et al., 2002; Towers Perrin, 2003). Further, greater engagement is associated with decreased costs, including reduced turnover, lower cost of goods sold, and fewer quality errors (Banks, 2006; Harter et al., 2002; Towers Perrin, 2003).

Employee engagement is a part of employee retention. An engaged employee is someone who is aware of the business context, and works closely with colleagues to improve performance within the job for the benefit of the organization. According to Robinson et al, (2004) engaged employee is willing to go extra mile, believes in and identifies with the organization, wants to work to make things better, understands the business context and the bigger picture, and respects and helps colleagues. Employee engagement will be manifested in positive attitudes (for example job satisfaction, organizational commitment and identification with the organization) and behavior (low labor- turn over and absence and high citizenship behavior) on the part of employees; and evidence of perceptions of trust, fairness and a positive exchange within a psychological contract where two way promises and commitments are fulfilled (Guest, 2009). According to Alfes et al, (2010) engaged employees perform better, are more innovative than others, are more likely to want to stay with their employers, enjoy greater levels of wellbeing and perceive their work load to be more sustainable than others.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design, the target population, data collection techniques and procedures and techniques for data analysis and presentation.

3.2 Research Design

The research design used was a descriptive census survey where all members of the population were included. Descriptive research design defines a subject, often by creating a profile of a group of problems, people or events through collection of data and tabulation of frequencies on research variables or their interaction (Cooper and Schindler, 2003). The design was used because it allows analysis of qualitative data which cannot be quantified on figures. The design involves systematic collection of data from members of a given population through questionnaires.

3.3 Population of Study

The population of the study was all employees of Kenya Medical Training College headquarters. The total number of employees in Kenya Medical Training College headquarter is 100 as shown in Table 3.1.
Table 3.1: Population of Study

<table>
<thead>
<tr>
<th>Category</th>
<th>Job group</th>
<th>Number of staff</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior managers</td>
<td>P and above</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Middle level managers</td>
<td>L - N</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Lower level Employees’</td>
<td>K and below</td>
<td>73</td>
<td>73</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: KMTC payroll, April 2014

3.4 Data Collection

The study used primary data which was obtained through administration of questionnaires. Structured questionnaires, comprising open ended and closed questions were used. Questionnaires were used because of the large number of respondents. They collect information that is not observable thus the respondents can express their feelings, motivations and attitudes. The questionnaire comprised three sections. Section one sought data on personal and organizational information. Section two consisted of questions on the level of employee engagement and Section three dealt with employee performance at Kenya Medical Training College. The questionnaires were administered through drop and pick later method.

3.5 Data Analysis and Presentation

Descriptive statistics such as means, standard deviation frequencies, and tables’ were used to analyze the data. Descriptive statistics provide an efficient summary to the data collected making it easier to draw meaningful conclusions. The completed questionnaires were edited for completeness and consistency. The data was coded to enable the
responses to be grouped into various categories. The SPSS software was used to analyze the coded data from questionnaires. Pearson's Product Moment Correlation was used to establish the strength and significance of the relationship between employee engagement and employee performance at Kenya Medical Training College.
CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter focuses on the presentation of data and interpretation. The first part presents the general information, the analysis of the data ending with the regression results. The second part of this section deals with the summary and the interpretation of the findings.

4.2 Response rate

A total of 100 questionnaires were issued to respondents out of which 93 were usable for analysis. Table 4.1 summarizes the response rate. According to Mugenda and Mugenda, (1999) a 50.00 percent response rate is adequate, 60.00 percent is good and above 70% rated as very good. This implies that basing on this assertion; the response rate in this case of 93.00 percent was very good.

Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Questionnaires Issued</th>
<th>Returned</th>
<th>Return rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>93</td>
<td>93.00%</td>
</tr>
</tbody>
</table>

Source: Researcher, 2014

4.3 General Information

The study sought to find out the description of respondents. It captured their general characteristics in a bid to establish if they were well suited for the study. This captured the general characteristics of respondent gender, position in the organization, length the
respondent had worked with KMTC, department in which they worked and their education qualifications.

4.3.1 Gender of the Respondents

The study sought to find out the gender of the respondent. It captured the gender of the respondents. Figure 4.1 shows their response.

Figure 4.1: Gender of the Respondents

![Distribution by Gender](image)

Source: Researcher, 2014

Figure 4.1 shows that 51.61% of the respondents were male with 48.39% of the respondents being female. The findings indicate that they were slightly more male
respondents as compared to the female. This figure shows no significant variation of respondents and KMTC is an equal opportunity employer.

4.3.2 Position in the organization

The study sought to find out the position of the respondents in the organization which is captured in Table 4.2.

Table 4.2: Position in the Organization

<table>
<thead>
<tr>
<th>Category</th>
<th>Job group</th>
<th>Number of staff</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior managers</td>
<td>P and above</td>
<td>6</td>
<td>6.45</td>
</tr>
<tr>
<td>Middle level managers</td>
<td>L - N</td>
<td>14</td>
<td>15.05</td>
</tr>
<tr>
<td>Lower level Employees’</td>
<td>K and below</td>
<td>73</td>
<td>78.50</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>93</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Researcher, 2014

From Table 4.2 it is evident that most of the respondent held position of lower level employees. 80% of respondent were Lower level employees, 14% were in middle level managers and the rest 6% were senior managers. The results show that all employees were represented.
4.3.3 Length of Service

Figure 4.2: Length of Service

Source: Researcher, 2014

From figure 4.2 it is evident that most of the respondent had worked for the KMTC for 1 to 5 years. 36.56% of the respondents had worked for the KMTC for 1 to 5 years, 32.26% had worked for over 10 years, 21.51% had worked between 6 and 10 years and the rest 9.68% less than 1 year. The respondents had worked long enough thus were well conversant with issues to do with employee engagement and performance at KMTC.

4.3.4 Respondent’s Department

The study sought to find out the department in which respondent worked in at KMTC which is captured in figure 4.3.
From Figure 4.3 it is evident that most of the respondents had worked in HR department with 21.51%, 16.13% worked in Finance department, 15.05% worked in administration department, 15.05% in academic department, 9.68% in transport department, 8.60% in catering department, 7.53% in maintenance department and 6.45% in security department. The findings indicate the study was done across all organization departments.

4.3.5 Respondent’s Educational Qualifications

The study sought to find out respondent education qualifications which are captured in Table 4.6
Table 4.3: Respondents Educational Qualifications

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post Graduate</td>
<td>15</td>
<td>16.13</td>
</tr>
<tr>
<td>Graduate</td>
<td>40</td>
<td>43.01</td>
</tr>
<tr>
<td>Diploma</td>
<td>20</td>
<td>21.50</td>
</tr>
<tr>
<td>Certificate</td>
<td>10</td>
<td>10.75</td>
</tr>
<tr>
<td>O level</td>
<td>5</td>
<td>5.3</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>3.23</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>93</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Source: Researcher, 2014

From table 4.3 it is evident that most of the respondents held undergraduate degrees qualifications at 43.01%, 16.13% held post graduate or masters degree, 21.50% held diploma qualifications, 10.75% held certificate, 5.3% O level certificate and other qualifications at 3.23%. The findings indicate that most of respondents had a university qualifications and therefore were able to understand the concept of employee engagement and performance in KMTC.

4.4 Reliability Analysis

Table 4.4 presents the analysis of the reliability of the responses using the Cronbach's Alpha. Reliability measures the consistency in responses. For reliability analysis Cronbach’s alpha was calculated by application of SPSS. The value of the Cronbach's alpha coefficient ranges from 0 to 1 and may be used to describe the reliability of factors
extracted from multi-point formatted questionnaires or scales (for example scale: 1 = strongly disagree, 5 = strongly agree). A higher value shows a more reliable generated scale. Nunnally (1970) indicated 0.7 to be an acceptable reliability coefficient. Since the Cronbach's alpha coefficients were both greater than 0.7, the instrument used to collect responses had an acceptable reliability coefficient and was appropriate for the study. The findings are considered reliable as presented in table 4.4.

**Table 4.4: Reliability Analysis**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Number of Items</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
<td>0.946</td>
<td>18</td>
<td>Excellent</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>0.933</td>
<td>10</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

Source: Research Data, 2014

### 4.5 Employee Engagement

The objective of the study was to establish the relationship between employee engagement and employee performance at KMTC Headquarters. To establish the level of employee engagement and performance, the respondents were asked to rate the factors on employee engagement in table 4.5 using a Likert scale of 1 to 5; (1:Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree). A score of less than 1.5 means the respondents strongly disagreed with the statement given. A score 1.5 and above but less than 2.5 meant the respondents disagreed with the statement given. A score of 2.5 and above but less that 3.5 meant the respondents were neutral. A score of 3.5 and above, but less that 4.5 indicated that the respondents agreed. A score of 4.5 and above indicated strong agreement with the factor on employee engagement given. The standard deviation
describes the deviation of the responses to the means. A Standard deviation of 1 and above indicates no consensus, 0.5 but less than 1 indicates the responses are moderately distributed and less than 0.5 indicates that the responses are concentrated around the mean.

Table 4.5 presents the descriptive summary of the responses to employee engagement. Means for the factors were established in order to find out the extent to which the respondents agreed or disagreed with the factors that influenced employee engagement.

**Table 4.5: Employee Engagement**

<table>
<thead>
<tr>
<th>Items</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have good working relationship with my boss and I get support from my boss</td>
<td>3.45</td>
<td>0.83</td>
</tr>
<tr>
<td>I am very satisfied with the work I do</td>
<td>2.19</td>
<td>1.47</td>
</tr>
<tr>
<td>I am involved in decision making by management at the work place</td>
<td>2.03</td>
<td>1.35</td>
</tr>
<tr>
<td>There is friendliness of working environment</td>
<td>3.39</td>
<td>0.94</td>
</tr>
<tr>
<td>There is training of employees by the organization</td>
<td>2.58</td>
<td>1.29</td>
</tr>
<tr>
<td>I get lots of opportunities to use and develop my skills and career in this job</td>
<td>2.55</td>
<td>1.31</td>
</tr>
<tr>
<td>The management is concerned about employees well being</td>
<td>3.13</td>
<td>0.86</td>
</tr>
<tr>
<td>Deserving employees get promotion</td>
<td>2.55</td>
<td>1.43</td>
</tr>
<tr>
<td>I am well compensated for work done</td>
<td>2.03</td>
<td>0.87</td>
</tr>
<tr>
<td>There is equity of salary with others with similar qualifications</td>
<td>2.84</td>
<td>1.13</td>
</tr>
<tr>
<td>I am confident in the manner in which promotions are awarded</td>
<td>2.42</td>
<td>0.65</td>
</tr>
</tbody>
</table>
I get on well with my work colleagues  |  3.65  |  1.08  
I would recommend this organization to people as a good employer  |  3.32  |  1.25  
I have all the resources I require to perform my duties  |  2.48  |  0.75  
Given a chance, I would still chose to work for my employer  |  3.06  |  0.85  
I am happy about the values, policies, procedures and systems of this organization and the ways in which it conducts its business  |  2.84  |  1.39  
My ideas are valued at my place of work  |  2.55  |  1.43  
My boss gives me helpful feedback on how well I am doing  |  2.97  |  1.30  
**Grand Mean**  |  **2.78**  

Source: Research Data, 2014

As shown in table 4.5, some of the employees agreed that they got on well with work colleagues with a mean of 3.65 and a SD of 1.08 and others did not. However some of the employees were neutral on relationship they had, and if they got support from their bosses (mean 3.45 and SD 0.83) and friendliness of working environment (mean 3.39 and SD 0.94). Some of the respondents were neutral on if they would recommend the organization to people as a good employer (mean 3.32, SD 1.25) and whether the management was concerned with employee well being (mean 3.13, SD 0.86). They were also neutral on whether if given a chance they would still choose to work for the same employer (mean 3.06, SD 0.85), if they were given helpful feedback by their bosses (mean 2.97, SD 1.30), if they were happy about values, policies, procedures and systems of the organization and the ways in which it conducts business (mean 2.84, SD 1.39), equity of salary with others with similar qualifications (mean 2.84, SD 1.13). Some of the respondents were also neutral on if there is training of employees by the organization.
(mean 2.58, SD 1.29), whether they get a lot of opportunities to develop skills (mean 2.55, SD 1.31), whether their ideas were valued at place of work (mean 2.55, SD 1.43) and whether deserving employees get promotion (mean 2.55, SD 1.43).

However some of the respondents disagreed on whether they had all the resources required to perform their duties with a mean of 2.48 and a SD of 0.75. Some of the respondents were not confident with the manner in which promotions were awarded (mean 2.42, SD 0.65) and others were not satisfied with the work they do (mean 2.19, SD 1.47). Some of the respondents also disagreed on being involved in decision making by management with a mean of 2.19 and a SD of 1.35.

The above analysis implies that employees get on well with colleagues thus there is team work at KMTC. The analysis also implies that at KMTC the employees have good working relationships with their managers and that they get support from them. It also indicates that there is friendly working environment and that some would recommend KMTC as a good employer and others would not. The analysis also imply that some of the employees were satisfied with the management concerned with employee well being while others were not and some would choose to work for the same employer if given a chance while others would not. The analysis implies that at KMTC some of the employees were given helpful feedback by their bosses while others were not and some of the employees were happy about the values, policies, procedures and systems of KMTC and the way it conducts its business while others were not. It also implies that some employees believed that there was equity of salary with others with similar qualifications while others did not.
The analysis also implies that some employees believe there is training of staff by KMTC, there are opportunities to develop skills, satisfied with the work they do, their ideas are valued at place of work and gets a lot of opportunities to develop skills while others did not. The above analysis also indicates that quite a good number of the employees at KMTC did not have all the resources required to perform their duties and were not confident in the manner in which promotions were awarded. The analysis also implies that some of the employees were not happy about the work they do while others were not involved in decision making by the management.

4.6. Employee perception of factors that promote Employee Engagement

The respondents were further asked to give other factors that would promote employee engagement at KMTC. 43.47% of the respondents stated that increase of salary and other allowances would foster employee engagement hence increase performance in the organization. 20% of the respondents stated that involvement by the management in decision making and strategy formulation would go way far towards increasing employee engagement and performance. 15% of the employee stated that training of employees would enable them acquire skills which would make them competent and loyal to the organization. This would ensure an engaged workforce hence increased performance as shown by a number of studies (Saks, 2006; Schaufeli and Bakker, 2004). 5% of the respondents stated that the organization should boost employee well being through annual parties and recognition and rewards for performers which would then increase employee engagement in KMTC. 4% of the respondents felt that there was a need for
open door policy where senior management sit down with juniors to discuss issues that affect the organization and way forward. 3% of the employees stated that freedom of expression would also boost employee engagement. 2.81% of the employees felt that job rotation would go way far towards increasing employee engagement at KMTC.

The analysis implies that an increase in salary and other allowances would foster employee engagement hence increase performance. The analysis also implies that involvement in decision making of employees by the management would enhance Employee Engagement. The analysis not only implies that training of employees would increase employee engagement but also imply that recognition and rewards can also go way far in enhancing employee engagement.

4.7 Employee Performance

The objective of the study was to establish the relationship between employee engagement and employee performance at KMTC Headquarters. This section therefore deals with indicators of performance at KMTC. In order to establish the relationship between employee engagement and performance, it was important to get the employee perception of their performance. The respondents were asked to rate the factors on employee performance in table 4.6 using a Likert scale of 1 to 5 ;(1: Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree). A score of less than 1.5 meant the respondents strongly disagreed with the statement given. A score 1.5 and above but less than 2.5 meant the respondents disagreed with the statement given. A score of 2.5 and above but less that 3.5 meant the respondents were neutral. A score of 3.5 and above, but
less that 4.5 indicated that the respondents agreed. A score of 4.5 and above indicated strong agreement with the factor on Employee Performance.

The standard Deviation describes the deviation of the responses to the means. It provides an indication of how far the individual responses to each factor vary from the mean. A Standard deviation of 1 and above indicates no consensus, 0.5 but less than 1 indicates the responses are moderately distributed and less than 0.5 indicates that the responses are concentrated around the mean. The results are indicated in table 4.6.

Table 4.6: Employee Performance

<table>
<thead>
<tr>
<th>Items</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>I constantly achieve performance targets set at the beginning of the year</td>
<td>3.19</td>
<td>1.51</td>
</tr>
<tr>
<td>I work well as a team with my colleagues</td>
<td>3.71</td>
<td>1.04</td>
</tr>
<tr>
<td>I respect national diversity and gender</td>
<td>4.35</td>
<td>0.66</td>
</tr>
<tr>
<td>I have excellent interpersonal and communication skills</td>
<td>3.10</td>
<td>1.42</td>
</tr>
<tr>
<td>I am always punctual at my place of work and a good time manager</td>
<td>2.94</td>
<td>1.59</td>
</tr>
<tr>
<td>I am creative and innovative at my workplace</td>
<td>2.68</td>
<td>1.38</td>
</tr>
<tr>
<td>I always focus on customers/citizens</td>
<td>3.52</td>
<td>1.48</td>
</tr>
<tr>
<td>There is continuous learning and performance improvement at work place</td>
<td>2.74</td>
<td>1.50</td>
</tr>
<tr>
<td>I have the technical competence that is required to perform duties</td>
<td>3.87</td>
<td>1.09</td>
</tr>
<tr>
<td>I always perform my duties and responsibilities professionally</td>
<td>3.68</td>
<td>1.30</td>
</tr>
<tr>
<td><strong>Grand Mean</strong></td>
<td><strong>3.38</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Research Data, 2014
Table 4.6 shows the response of employees concerning their performance of tasks at work. As shown in the table, respect for national diversity and gender was ranked number one with a mean of 4.35 and a SD of 0.66. The respondents agreed that they had the technical competence that was required to perform duties (mean 3.87, SD 1.09). They also agreed that they always performed their duties and responsibilities professionally (mean 3.68, SD 1.30) and worked well as a team with their colleagues with a mean of 3.71 and a standard deviation of 1.04. The respondents were in agreement that they always focus on customers (mean 3.52, SD 1.48).

However, some of the respondents agreed that they constantly achieved performance targets set at the beginning of the year (mean 3.19, SD 1.51) while others did not. Some were in agreement that they had excellent interpersonal and communication skills (mean 3.10, SD 1.42) while others were not. The respondents were neutral on whether they were always punctual at their place of work and whether they were good time managers with a mean of 2.94 and a standard deviation of 1.59. Some of the respondents felt that there was continuous learning and performance improvement at work place (mean 2.74, SD 1.50) while others did not. Creativeness and innovativeness was ranked last with some agreeing that they were creative and innovate (mean 2.68, SD 1.38) while others were not.

The above analysis implies that at KMTC employees respect national diversity and gender. The analysis also implies that the employees at KMTC have the technical competence that is required to perform duties. This is supported by education level for the employees where 43.01% of the employees have undergraduate degrees and 16.13% post graduate. The analysis also indicates that the employees of KMTC always perform
their duties and responsibilities professionally and work well as a team with colleagues. The analysis implies that the employees focus on customers. The analysis also implies that some of the staff of KMTC constantly achieves performance targets set at the beginning of the year and have excellent interpersonal and communication skills. The analysis also implies that at KMTC some workers are always punctual at place of work and are good time managers while others are not. It also implies that there is continuous learning and performance improvement and Creativeness and innovativeness at work place as indicated by some staff.

4.8. Employee Perception of ways in which performance can be increased

The respondents were further asked to suggest ways in which performance can be increased at KMTC. 47.03% of the respondents stated that good remuneration package would increase employee performance in the organization. 31% of the respondents stated that promotion to avoid stagnation in one job group would increase performance of the employees in the organization. Additionally 21.20% of the respondents highlighted good career growth as a way of increasing performance at KMTC. The analysis implies that good remuneration, promotion and career growth would increase employee performance.
4.9 Relationship between Employee Engagement and Employee Performance

A correlation analysis was done. Table 5.0 shows the correlation between employee engagement and employee performance. As shown by the correlation coefficient, there was positive correlation between employee engagement and employee performance. The correlation coefficient, \( r(93) = 0.89, p<0.01 \)

<table>
<thead>
<tr>
<th>Table 4.7: Correlation coefficient for the Relationship between Employee Engagement and Employee Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>Employee Engagement</td>
</tr>
<tr>
<td>0.89 (p&lt;0.001)</td>
</tr>
<tr>
<td>Employee Performance</td>
</tr>
</tbody>
</table>

Source: Research, 2014 Data

The analysis implies that the correlation coefficient (\( r \)) equals 0.89 indicating a strong relationship between employee engagement and employee performance. Therefore it can be deduced that employee engagement has a strong relationship with employee performance (\( r = 0.89, p < 0.001 \)).

4.10 The effect of Employee Engagement on Employee Performance

Regression analysis was used to establish the effect of employee engagement on employee performance. Employee performance was the dependent variable while employee engagement was the independent variable. The constant term was 0.600 which was statistically significant, \( t_{(93)} = 2.371, p < 0.05 \). The coefficient of employee
engagement was 0.999 which was statistically significant, $t_{(93)} = 11.572, p < 0.05$). As indicated by $F_{(1,92)} = 133.900, p < 0.05$ the whole regression was statistically significant and the variation in employee engagement explained 82.2 % of the variation in employee performance.

**Table 4.8: Regression Analysis**

<table>
<thead>
<tr>
<th></th>
<th>Coefficient</th>
<th>Std Error</th>
<th>T-Ratio</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.600</td>
<td>0.253</td>
<td>2.371</td>
<td>0.025</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>0.89</td>
<td>0.086</td>
<td>11.572</td>
<td>0.000</td>
</tr>
<tr>
<td>R-Squared</td>
<td>0.822</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted R-squared</td>
<td>0.816</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$F(1,92)$</td>
<td>133.900</td>
<td></td>
<td></td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Research Data, 2014

The regression model between employee performance and employee engagement is of the form:

$$Employee\ Performance = 0.600 + 0.89(Employee\ Engagement).$$

The analysis implies that employee engagement contributes 89% on employee performance.

**4.11 Discussion of the Findings**

This research found out that there was no significant variation in gender which means KMTC is an equal opportunity employer. It also found out that the respondents had
worked long enough in the organization thus were well conversant with issues to do with employee engagement and performance. The research also found out that most of the respondents held undergraduate degree and above thus were able to understand the concept of employee engagement and employee performance.

This research did not only find out that workers work well with colleagues but also found out that some of the workers had good working relationship with their boss and got support for their work while others did not. This implies that there is team work at KMTC which makes them more engaged to their work. This was matched by equal treatment since workers of the same qualification were equally remunerated. These sentiments seem to borrow from Harter et al. (2002) and May et al. (2004) who indicated that managements which foster a supportive working environment display concern for employees’ needs and feelings. A work environment with such features fosters a higher desire to perform. The research found out that some of the workers would still work for the same organization if given a chance and would recommend the organization as a good employer while others would not. This shows that the workers are affiliated to the organization which makes them more engaged to their work and stay longer. The study also found out that some of the workers were happy about the values, policies, procedures and systems of the organization and the ways in which it conducts its business while others were not. It also found out that the management is concerned with employee well being and values employees’ ideas at place of work.

On the other hand, the workers indicated strong dissatisfaction with their work with most indicating that they were not involved in the decision making processes affecting their work. Some did not even have the opportunity to develop their skills and careers. There
was also an indication of not being happy with the remuneration package despite being technically competent to perform duties and manner in which promotions are awarded. In the assertion of Alderfer (1972) with regard to decision making processes; opportunity to develop their skills and careers and the remuneration package the workers can be rated as dissatisfied. This can also be supported by the findings of (Paradise, 2008) who posited that when employees undergo career and skill development programs, their confidence builds up thus motivating them to be more engaged in their job.

The research found out that the employees had respect for national diversity and gender; had technical competence required to perform duties; worked well as a team with work colleagues; focused on customers and performed duties and responsibilities professionally. It also found out that some of the workers constantly achieved performance targets set at the beginning of the year; had excellent interpersonal and communication skills; always punctual at place of work and good time managers and were creative and innovative. There was also continuous learning and improvement.

The study found a strong relationship between employee engagement and employee performance. Indeed the relationship was positive. This means when employees feel more of getting on well with colleagues, presence of equal treatment, and good working relationship with their boss etc, they tend to improve their performance of duty. In the same line of argument, when employees felt the opposite, their performance tends to dip. This is in line with the findings of Banks (2006) who asserted that higher levels of employee engagement are associated with increased return on assets, higher earning per employee, higher performance, greater sales growth, and lower absenteeism. Higher
levels of employee engagement was also associated with decreased costs, including reduced turnover, lower cost of goods sold, and fewer quality errors.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the results, conclusions and recommendations drawn from analysis of data in chapter four on relationship between employee engagement and employee performance at Kenya Medical Training College Headquarters.

5.2 Summary of Findings

The objective of this research was to establish the perceived relationship between employee engagement and employee performance in KMTC. There was no significant variation in gender. Most respondents were lower level employees in job group K and below. The respondents had worked at KMTC long enough thus were well conversant with issues to do with employee engagement and performance. Most of those who participated in the research held undergraduate degrees.

Some of the respondents demonstrated satisfaction with working relationship with their boss; friendliness of working environment; training of employees by the organization; opportunities for development of skills; equity of salary with others with similar qualifications while others did not. Some of the workers would still work for the same organization if given a chance and would recommend the organization as a good employer while others would not. Some of the respondents were happy about the values,
policies, procedures and systems of the organization and the ways in which it conducts its business while others were not.

The respondents demonstrated dissatisfaction with the nature of engagement they received at work. Despite getting on well with colleagues, the respondents demonstrated dissatisfaction with engagement in duty on issues concerning lack of adequate resources to perform duties, involvement in decision making, and manner in which promotions were awarded. The workers also showed dissatisfaction with their work and compensation. They were unsure whether their ideas were valued, the management was concerned with employee well being and whether their bosses gave helpful feedback on their performance of tasks.

The respondents strongly agreed that they respected national diversity and gender at work. They work well as a team with colleagues, they focus on customers/citizens, they perform duties and responsibilities professionally and that they are technically competent. Though, do not always achieve performance targets, have poor time management, and creative and innovativeness is poor.

The results indicate a positive relationship between employee engagement and employee Performance. The correlation coefficient (r) equals 0.89 showed that there was positive correlation between employee engagement and employee performance. This indicates that when workers are engaged in activities at work, there is also an improvement in performance. This was also supported by the regression analysis. In the analysis, the coefficient of employee engagement was positive. This indicates that improvement in employee engagement leads to improved employee performance at KMTC.
5.3 Conclusion

Basing on the findings of this research, the following conclusions are drawn. First, the working duration with the organization confirms that the respondents were knowledgeable with issues to do with employee engagement and employee performance thus gave responses relevant to the study. The study was able to collect information from all employees of KMTC Headquarters. Secondly, involving employees in making decisions at work place increases employee engagement and performance. Equally, equal treatment of workers with similar qualifications in terms of equal remuneration leads to Employee Engagement. However, other than basing on qualification, not much is said concerning whether there are other parameters that are used to create unfair treatment. The respondents were not happy with the remuneration package despite being technically competent to perform duties.

The study, finally, found a strong relationship between employee engagement and employee performance \( r = 0.89, p< 0.001 \). The relationship is positive. This means that when employee engagement improves, so does their performance. These results confirm the findings of previous studies of the social exchange theory (Saks, 2006; Schaufeli and Bakker, 2004).

5.4 Limitation of the Study

The limitation of this research lies in its time limit. The time scope of this research was for instant the respondents completed the questionnaires handed to them. It cannot be told by the study whether the results would still hold if it was designed to cover a longer
period of time. Further it is not possible to tell whether the same findings will hold for the period after responding to the questionnaires.

The findings of the research covered only one institution in Kenya. Kenya has many organizations that have Human Resource. It is not easy to tell whether the same findings would apply to all the other organization in Kenya. Further, the research has not dealt with organizations outside Kenya, for instance in the East African Community to ascertain whether the findings can still hold.

The quality of the data may be a weakness of this study. This study was based on qualitative data. Qualitative data has a weakness of being highly opinionated. The indications in the questionnaires can easily pass as opinions of the respondents which may not be an accurate representation of the facts on the ground. The effect is that if the data were collected a few months later, due to the dynamism in human behavior, results can become sharply different.

5.5 Recommendations for policy and practice

5.5.1 Policy Recommendations

On the conclusion that the workers have good working relationship with their boss and that the bosses even provide good support for improved performance of work this study wishes to recommend that the support is continued. However, the management can come up with a support policy so that issues that bring about higher performance are given higher support.
Basing on the conclusion that the workers are equally treated as indicated by the equal remuneration of workers who are equally qualified, this research recommends that this is continued and possibly improved. The improvement can arise from other areas apart from remuneration that can result in unequal treatment for example promotions, sharing of responsibility etc.

This study recommends the improved use of teams approach to work. This is based on the finding that workers get on well with colleagues. This is an indication of team work. If the team work is not already in place, the management can build it.

Workers strongly indicated lack of involvement in the decision making processes affecting their work. Some did not even have the opportunity to develop their skills and careers. This study recommends that decision making be more inclusive so that relevant members of staff provide input to decisions that affect them.

Concerning the strong positive relationship between employee engagement and employee performance, this study recommends careful engagement of employees in the work environment. Positively engaging employees will surely bring about higher performance of duty. On the contrary, poor engagement will surely bring about poor performance. This is because of the close connection between employee engagement and employee performance.

5.6 Suggestions for Further Research

There is a need to answer the question of whether the findings of this research can be made universal across time in organizations in Kenya and outside Kenya. There are many organizations in Kenya and abroad which have unique HR issues. This study just covered
one organization for one moment in time. This reduces the power of universally applying the results. A research can be done to determine the nature of the relationship between employee engagement and employee performance in more organizations and for a longer period of time to get more universally useful results.

This research has not answered the question of whether employee engagement causes employee performance. Attempts made been limited to demonstrating correlation. Correlations are limited to showing the nature of correspondence between variables, but do not indicate whether one variable causes the other. A study can be done to show whether employee engagement causes employee performance or the reverse.

The study can be repeated with aid of secondary data. Since secondary data is recorded with a higher level of objectivity, the results found can provide strong and objective support to the findings that are based on primary data. It is the recommendation here that such a study can be repeated using secondary data.
REFERENCES


CIPD, (2007). Employee Engagement available at; www.cipd.co.uk


APPENDICES

APPENDIX 1: QUESTIONNAIRE

SECTION ONE: PERSONAL AND ORGANISATIONAL INFORMATION

Please tick inside the box against your answer

1) Which department do you work in?
   Administration ( )  HR ( ) Academic ( )  Finance ( )
   Catering ( )  Security ( )  Transport ( )  Maintenance ( )

2) Which of the following best describes your position in the organization?
   Top Management ( )  Middle level Management ( )
   Lower level Employees ( )

3) Gender
   Male ( )  Female ( )

4) Age
   Under 20 years ( )  21 – 30 years ( )  31 – 40 years ( )
   41 – 50 years ( )  Above 50 years ( )

5) Level of Education
   Post graduate ( )  Graduate ( )  Diploma ( )
   Certificate ( )  O level ( )  Other __________

6) Length of continuous service with the organization
   Less than 1 year ( )  1 – 5 years ( )  6 – 10 years ( )
   Above 10 years ( )
### SECTION TWO: EMPLOYEE ENGAGEMENT

7) Please tick the appropriate box for the following statements relating to employee engagement in the likert scale 1 to 5 with 1: indicating strongly disagree, 2: Disagree, 3: Neutral, 4: Agree and 5: Strongly Agree.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have good working relationship with my boss and I get support from my boss</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am very satisfied with the work I do</td>
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<tr>
<td>I am involved in decision making by management at work place</td>
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<tr>
<td>There is friendliness of working environment</td>
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<tr>
<td>There is training of employees by organization</td>
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<tr>
<td>I get lots of opportunities to use and develop my skills and career in this job</td>
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<tr>
<td>The management is concerned about employee well being</td>
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<td>Deserving Employees get promotion</td>
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<tr>
<td>I am well Compensated for work done</td>
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<tr>
<td>There is equity of salary with others with similar qualifications</td>
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<tr>
<td>I am confident in the manner in which promotions are awarded</td>
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<tr>
<td>I get on well with my work colleagues</td>
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<tr>
<td>I would recommend this organization to people as a good employer</td>
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<tr>
<td>I have all the resources I require to perform my duties</td>
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<tr>
<td>Given a chance I would still choose to work for my employer</td>
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</tbody>
</table>
I am happy about the values, policies, procedures and systems of this organization and the ways in which it conducts its business.

My ideas are valued in my place of work.

My boss gives me helpful feedback on how well I am doing.

8) In your own opinion what other factors would promote employee engagement in your organization?

________________________________________

________________________________________

SECTION THREE: EMPLOYEE PERFORMANCE

9) Please tick the appropriate box for the following statements relating to employee Performance in the linkert scale 1 to 5 with 1: indicating strongly disagree, 2: Disagree, 3: Neutral, 4: Agree and 5: Strongly Agree.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I constantly achieve performance targets set at the beginning of the year</td>
<td></td>
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</tr>
<tr>
<td>I work well as a team with my colleagues</td>
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<td></td>
</tr>
<tr>
<td>I respect national diversity and Gender</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>I have excellent interpersonal and communication skills</td>
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<td></td>
</tr>
<tr>
<td>I am always punctual at place of work and a good time manager</td>
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<td></td>
</tr>
<tr>
<td>I am creative and innovative at work place</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>I always focus on customers/citizens</td>
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<td></td>
</tr>
<tr>
<td>There is continuous learning and performance improvement at work place</td>
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<td></td>
</tr>
<tr>
<td>I have the technical competence that is required to perform my duties at work place</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>I always perform my duties and responsibilities professionally</td>
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</tbody>
</table>

10) Suggest ways in which performance can be increased at KMTC.

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

THANK YOU FOR YOUR TIME