

**PERCEPTIONS OF POSTAL CORPORATION OF KENYA MANAGEMENT LEVEL  
EMPLOYEES ON PERFORMANCE TARGETS OF 2007 – 2012.**

**BY**

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## **DECLARATION**

This research project is my original work and has not been presented for examination in any other University.

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

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## **DEDICATION**

This research project is dedicated to my family and friends for their unrelenting support and encouragement throughout my studies at the University of Nairobi. Particular dedication goes to my parents Mr and Mrs Wilson Mugwe, my siblings John, Alice, Susan, Miyu, Agi and their spouses. Splendid dedication also goes to my children Albert, Joe, Willie and my husband. This research project is also dedicated to my late brother Tom Wanyeki .

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## ABSTRACT

This study adopted a survey carried out at Postal Corporation of Kenya based on a strategic plan period of 2007 to 2012. The researcher wanted to establish management employees perception's on training, motivation and their effects on the set performance targets for the period of study. The researcher wanted to investigate the effects of the three predictor variables namely: value perception, staff motivation and training on performance targets. The study confirmed that the independent variables were closely related to the dependent variable. One hundred employees from four key departments namely Operations and Customer service, Courier and Parcels, Mails and Financial services were targeted to respond to the questionnaires. The researcher adopted descriptive study design where by population means, standard deviation and variance were used as statistical tools to aid analysis. Disproportionate sampling method was used to apportion the population into four major stratum which were used to draw inferences. The data was analyzed using SPSS software for data analysis and presented in bar graphs and tables. The study found out that training of staff had a major influence on the attainment of set targets at PCK. Other influencing aspects of HRM that positively influenced performance targets were the strategic implementation of HRM policies at PCK, the existence of sound training policy, remuneration levels of staff as well as strategic HRM aspects in the organization. The study results also gives support for the assertion that the way employees perceive human resource practices is significantly related to performance targets attainment. This study was not without limitations. Some of the Postal Corporation of Kenya management employees who were interviewed were suspicious of the intentions of the study and hesitated to participate in this study. Also; this study was a case study on management employee's perceptions on attainment of performance targets at PCK. Clearly, the applicability and generalizability of these study findings will only be limited to PCK. The researcher therefore, recommends that further research be undertaken Results occasioned by training show that the quality factors that improved tremendously were; Morale of staff increased and had an average score of 4.6233.as compared with a mean of 3.345 for the previous 5 years. Customer complaints also reduced drastically from a mean of 6.654 for the years prior to the study period to a mean of 4.6726. Reduced customer complaints were found to increase customer satisfaction. This had the overall effect of increasing sales and profits as reflected in the financial reports of the firm. The study concluded by confirming the hypothesis as affirmative since employees perceptions on training and motivation were found to be directly and positively enhancing the attainment of set targets at PCK.

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## **ABBREVIATIONS & ACRONYMS**

<b>HR</b>	Human Resource
<b>HRM</b>	Human Resource Management
<b>HRP</b>	Human resource development
<b>GoK</b>	Government of Kenya
<b>KPA</b>	Kenya Ports Authority
<b>KPLC</b>	Kenya Power and Lighting Company
<b>KR</b>	Kenya Railways
<b>PCK</b>	Postal Corporation of Kenya
<b>PSC</b>	Public Service Commission
<b>SC</b>	State Corporation
<b>SCAC</b>	State Corporation Advisory Committee
<b>SES</b>	Socio-Economic Status
<b>UNDP</b>	United Nations Development Programme
<b>SWOT</b>	Strengths, weaknesses, opportunities and Threats
<b>SMART</b>	Specific, measurable, attainable, realistic and Time bound

## **CHAPTER ONE: INTRODUCTION**

### **1.0 Introduction**

This chapter covers the background of the study, the research problem, the research question and the objectives of the study. It also addresses the justification, scope and limitations of the study, as well as definitions of key terms.

### **1.1 Background of the Study**

In the beginning when businesses were in family ownership form called family business, measuring workers performance was simple and straight. However, the performance gradually changed to complex, strained models with the advent of industrial revolution (Missroom, 2009). The growth of modern industrial establishment involves the employment of a large number of workers. With a large number of workers, there is need to assess their performance to be able to cope with competition from other similar firms. High potential of non-performance is common among employees. Nonperformance can arise from conflicts, inequalities, disagreements, debates, to physical confrontation, strikes, go slows, lack of skills, inabilities, lack of motivation or employees may also not know what they are supposed to do etc Shekhar, (2009).

The employers may want to achieve the best or implement major changes, and this may not be achieved if there are no set targets and customized human resource aspects that guide the employees. The employees may want to work less yet earn more; they may also want to work without direct supervision and control. All these could be solved by setting performance targets in which each employee works to meet certain set standards as well as clearly instilling in them positive perception on organizational goals and objectives Shekhar, (2009).

Indeed human resource aspects are key in any business set up, majority of business enterprises world over consider training and staff motivation vital in view of the market demands and to retain a competitive edge, with well-qualified and motivated employees, an organization would achieve the set performance targets with ease. Globally performance targets are achieved by aligning the right staff with the right skills and capabilities in the various jurisdictions that they operate in.

Some of the issues surrounding high performance in organizations include systems, or practices whose contexts and solutions are firm specific like continuous training of staff on the importance of achieving the set targets, introduction of rewards to performers and sanctions to non-performers.

Globalization has given rise to extended free market system in myriad world economies and this has heightened cut throat competition among firms. In fact, competition has effected every life deep from the internal nuclear family outfit where by competing interests can be seen even amongst young children trying to outdo each other in terms of superiority Shekhar, (2009). A growing business needs to be closely and carefully managed to ensure the success of new investment decisions and expansion plans. However, many managers find that as their businesses grow they feel more remote from its operations. Putting performance targets, training staff and motivating them can be important ways of keeping track on the progress of a business and achieving the overall objectives and goals of the organization. This gives vital information about what is happening in the business and it also helps in implementing strategies for growth.

In Africa the ever changing economic environment has led to prioritization in terms of achieving improved performance and efficiency in both public and private sector organizations than ever before. Organizations aim at achieving this with the objective of improving competitiveness, delivering better service, and reducing costs. It is against such a background that organizations around the world have prioritized achieving heightened performance and efficiency with such objectives in perspective. According to Barly, (2003), more organizations are realizing that improved business performance depends not only on improved processes like adopting modern human resource aspects, technology and products, but also equally as much on achievement of performance targets. If corporations are to survive and thrive in the global economy they require world class human resource competencies and processes for managing them. Effective training can therefore provide a potential source of enhanced performance and competitiveness.

The objective of training is to ensure the best fit between employees and tasks; in the end they have an overall effect on the attainment of the set plans and visions. (Sloan, 2010). Training and economic incentives are products of the human relations movement of the early 20th century as a result of the Taylors scientific management theory that tried to improve economic efficiency and productivity. These practices are fundamental in any company that aims at meeting its corporate business strategies. (Stephen, 2004).

State corporations are profit making institutions that play a significant role in a country's economic growth. Reforms in Kenyan state corporations are one of the main items on the government's administrative agenda as it tries to reduce the fiscal deficit and boost their economic performance and efficiency. They have also been aimed at enhancing the performance of state corporations and ensuring that they acquire competitive advantage in the attainment of their organizational goals and objectives. The scale of change set out within the public sector is unprecedented, both in terms of cuts to budgets and jobs. Against this backdrop, maintaining employee morale, continuous training and engagement to ensure they continue to deliver quality service, as well as adopt the idea and drive new ways of working, will be critical to whether reform succeeds or fails. Armstrong, (2006). State corporations in Kenya use reinforcement of performance through pay to encourage repetition of desired behavior, increase productivity, attendances, safety awareness, job satisfaction, reduce absenteeism and accidents and make the employee feel appreciated to achieve the set targets Maag, (2001).

With performance targets, managers are more concerned in achieving the organizational goals and objectives. If the workers are to work whole heartedly, they must be guided. To ensure targets are met, they must be treated right (Missroom, 2009). This is done to avoid incurring costs and remaining relevant in a competitive world. Employees have their feelings, thoughts and emotions, which must be understood to help the management achieve the set targets more effectively. It is in the interest of both the workers and management that performance targets are attained without conflicts. Performance targets help to reach the benchmark values the organization aspires to attain (Brenner et al. 2011).

Nelson (2008) defines perception as the way we view the world around us. It adds meaning to information gathered via the five senses of touch, smell, hearing, vision, and taste. She also defines selective perception as “our tendency to choose information that supports our viewpoints”. Individuals often ignore information that makes them feel uncomfortable or threaten their viewpoints. Different people may physically see the same thing but they may have their own interpretation of what it is. Employees’ perceptions in an organization are crucial to its success; since the driving force behind the success, or otherwise of any business rests on its employees. Perception is influenced by intelligence, personality, expectations, motivations and interest (Mullins, 1999). Perceptions are developed over time and can change as new information and experiences are acquired (Snell, 2006). Performance targets by organizations globally are achieved if employees have a positive perception towards them. High performing state corporations all over the world are engaged in core activities for which they have the skills, experience and expertise in which to succeed. Common indicators of success among state corporations are higher productivity, profitability, quality, employees’ job satisfaction as well as lower labour turnover or staff attrition rates.

Robbins (2007) defines perception as a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment. He, however, notes that what one perceives can be substantially different from objective reality. There need not be, but there is often, disagreement. For example, it is possible that all employees in a firm may view it as a great place to work - favorable working conditions, interesting job assignment, good pay, excellent benefits; and understanding and responsible management – but, it is very unusual to find such agreement. He further notes that the study of perception is vital since people’s behavior is based on their perception of what reality is, not on reality itself.

Mcshane (2006) defines perception as the process of receiving information about and making sense of the world around us. It entails deciding which information to notice, how to categorize this information to notice and how to interpret it within the framework of our existing knowledge. Cole (1999) defines perception as the process of organizing, interpreting and integrating external stimuli received through the sense, the mental process involved in identifying and subjectively interpreting objects, concepts and behavior the attainment of awareness, insight and understanding’.

Perception differs from one individual to another (Mullins, 1999). Consequently employees will perceive issues differently and will have different expectations from the same employer. Some may be concerned on training, career development, while others on salary and fringe benefits; some may prefer a flex work system while others will not mind a controlled system. Others may want performance related pay while others will want fixed pay (Mcshane, 2006). Employees' perceptions in an organization are crucial to its success; since the driving force behind the success, or otherwise of any business rests on its employees (Mullins, 1999).

Under the Laws of Kenya, a state corporation is defined as a body corporate established by or under an Act of Parliament or other written law; a bank or a financial institution licensed under the Banking Act or other company incorporated under the Companies Act, whose whole or controlling majority of the shares or stock is owned by the Government or by another state corporation; or a subsidiary of a state corporation.

The State Corporations Act chapter 446 of the Laws of Kenya is an Act of parliament to make provision for the establishment of state corporations and for control and regulation of state corporations. A state corporation has perpetual succession; in its corporate name is capable of suing and being sued and is capable of holding and alienating movable and immovable property. Subject to the Act, a state corporation may engage and employ such number of staff, including the chief executive, on such terms and conditions of service as the minister may, in consultation with the committee approve (Laws of Kenya, 2009).

The Kenya government forms Corporations to meet both Commercial and social goals. At Independence in 1963 state corporations were retooled by Sessional paper No.10 of 1965 into vehicles for indigenization of the economy. Majority of state corporations that exist today were established in the 1960s and 1970s. By 1995 there were 240 state corporations (Njiru, 2008). State Corporations in Kenya have become strong entities perceived as useful engines to promote development. One of the core functions of these entities is to formulate, review, coordinate and implement policies and programmes geared towards effective human resource development and utilization.



Postal Corporation of Kenya is a wholly state owned enterprise created by an Act of Parliament in 1998 to provide postal, financial and distribution services as a public postal licensee. Postal Corporation of Kenya (PCK) was established as a unit of the now defunct Kenya posts and Telecommunication Corporation that was split into three entities of postal corporation of Kenya, Telkom Kenya and Communication authority of Kenya. It is one among 240 Parastatal companies formed as a public utility organization meant to provide communication, distribution and financial services to the Kenyan public at a subsidized rate. The corporation has over the years endeavored to provide these essential services despite the environmental challenges that include rapid changes in technology associated with this sector.

However, in view of the rapid changes in the communications sector, the board and management of PCK are continuously reviewing existing strategies to give better focus on the corporation`s major revenue drivers that revolve around three key areas : Financial, courier and mail services. Postal Corporation of Kenya has a vast network of about 768 post offices and partners with more than 5,000 Stamp Vendor Licensees across the country, in addition to these PCK has a total of 4,500 employees where 335 are at Management level based at the headquarters Nairobi County.

The 4,500 employees are spread across eight regions of the country. Majority of the current staff were those inherited from the defunct Kenya posts and telecommunication corporations and as result have a lot of challenges that include public sector culture that inhibits change and creates resistance to new methods and systems. In the changing scenario, the employees are finding it difficult to cope with the new pressure of work occasioned by competition from the private sector. The corporation has embarked on vigorous staff training on emerging changes, rewards and sanctions with the introduction of performance contracting. Other programs include computer appreciation courses as some of the corporations systems are already automated, setting of performance targets, change management, customer care, on the job training among others.

At Postal Corporation of Kenya performance targets were introduced in 2007 in a five year strategic plan. These were to grow and maximize revenue, to improve efficiency and quality of processes so as to enhance service delivery, to continually improve customer satisfaction,

enhance a positive corporate image and to enhance, sustain and optimize human resource. The targets are reviewed periodically in line with the government requirements. Prior to the introduction of performance management, PCK concentrated more on man power discipline whose core tenets revolved around appraisals which were not performance based. Manpower development therefore required to embrace human resource development practices fully to factor in aspects of determining appropriate strategic modules of the firm in line with the strategic plan. Continuous training on embracing performance targets and introduction of performance appraisal reward structure came into the fore especially for the period 2007 when performance contracting started taking root at PCK.

The underlying assumption was geared towards creating an environment where staff would perceive performance targets positively and also creating a framework whereby employees' attainment of targets could be measured versus predetermined key performance indicators anchored in the strategic plan of the firm. The performance targets at postal corporation of Kenya can be looked at from different perspectives. These include; to grow and maximize revenue, improve the efficiency and quality of processes so as to enhance service delivery, to continually improve on customer satisfaction and enhance a positive corporate image and to enhance sustain and optimize human resource. The existing competition due to the entry of new mobile telephone services providers Safaricom, Airtel, Orange, Econet, Yu; private courier companies such as Roy parcels, Nation courier and Akamba bus services; desktops computers to send money requires managers of postal corporation of Kenya to instill positive perception, train and motivate staff if at all the set performance targets are to be realized.

## **1.2 Research Problem**

Not many employees enjoy being assessed and probably many employers do not enjoy either. Performance targets have been criticized for the costs that occur, many companies world over have concentrated in rewarding staff that put in their best (Shekhar, 2009). Even though performance targets may be uncomfortable to many, solutions to increasing competition in the global market are needed for business success. Hattie et al (2006) note that the expense of a business failure is a cause of concern for both employers and the customers. For example, in the Kenyan context, the money wasted setting performance targets and training staff on

performance appraisal models could be better used in other areas. Employees perceive performance targets negatively since they lose in terms of free time and control. There is also increased tension in workplace, low morale, job dissatisfaction, increased resentment and breakdown in communication (Shekhar, 2009). With training some employees perceive performance targets positively since it provides an opportunity for them to proof their competences and abilities. Employers perceive performance targets positively since new changes in technology and techniques can be implemented (Shekhar, 2009).

State corporations in Kenya are unique service providers in Kenya; indeed they are major employers across the country. The Government is the shareholder. PCK was identified for the study owing to its uniqueness as a major tax payer, and facing stiff competition from new technology like emails, short text message, and social networks like Face book, twitter and Skype. PCK has a wide network and is a major employer among the state corporations in Kenya. PCK plays a pivotal role in the economic development of the country hence any management without performance targets can shake the country's economic wellbeing. PCK is steered by a Board of Directors appointed by the Government of Kenya as the sole shareholder. Under the leadership of a chairman, also appointed by the Government, the board is charged with the responsibility of strategically guiding the entity. PCK management is headed by a Chief Executive Officer under the title Postmaster General. He reports to the board. The key departments of PCK are Mails, Courier and Financial Services supported by the following Support departments; Logistics and Facilities Management, Finance and Strategy, Human Resources Development, Information and Communications Technology, Legal, Marketing and Customer Service. At PCK performance targets are set by the Government under the Ministry of Information and technology while top managers are in charge of the implementation. This explains why there is need to study how employees perceive targets that they implement yet they were set without them being involved.

Research has found that employees react more favorably to performance targets when they satisfy their needs and include an opportunity to state their position; when factors on which they are being set are job-related; and when objectives and plans are discussed openly, Malongwa (2005). Managers and other employees do not always agree on what constitutes an effective performance target. When Managers and other employees have a shared

understanding of the purpose of the targets as well as each party's role in the performance, the employee's acceptance of the targets is increased. Both research and organizational practice suggest, however, managers and employees have different needs and expectations regarding the performance target exercise. Research strongly indicates that the manager's purpose, intentions, and perceptions of the performance targets may differ significantly from those of the employees Malongwa (2005). These concerns in the state corporations provide the basis for this study, which seeks to establish management level employees perception and the effects of training and staff motivation on performance targets of 2007 -2012 at PCK and specifically, at the headquarters in Nairobi District. PCK has 4500 employees and out of those 335 are at Management level at headquarters.

A number of related studies have been conducted in this area; Mohammed (2008) researched on employee perception on Management Process at the Postal Corporation of Kenya. He found out that employees had a negative perception on management process. Wanyama (2007) studied Employee Perception of Performance Appraisal. Wanyama also found out that employees had a negative perception of Performance Appraisal. Odhiambo (2003) researched on performance targets among Kenyan Secondary Schools Teachers, Na (2006), researched on 'managing targets across diverse cultures' while Wambugu, (2008) studied employee perception towards performance targets among mass media houses in Kenya amongst others. The study by latter revealed that employees had a negative perception towards performance targets among mass media houses. These studies focused on employee's perception in other institutions; so far according to the best knowledge of the researcher, no study has ever focused on the employee's perception and the effects of training and staff motivation on performance targets among state corporations and specifically in PCK. These concerns in the state corporations provide the basis for this study, this constitutes knowledge gap in PCK that this study seeks to address. The study adopted Human resource management aspects to establish employee's perceptions on performance targets at the Postal Corporation of Kenya, at the time of the study there was no study that had conducted a survey on the aspects mentioned here-below, this therefore, provides the rationale for this proposed study which seeks to answer the following question:

### **1.3 Research Question**

- I. How has training and staff motivation affected management level employees' perception on the attainment of performance targets of 2007-2012 at Postal Corporation of Kenya?

### **1.4 Objectives of the Study**

The overall objective of the study is to examine management level employees' perceptions on the attainment of performance targets at Postal Corporation of Kenya during the study period?

The specific objectives of this study include:

- I. To analyze the effects of relationship between management level employees' perceptions to the attainment of performance targets of 2007-2012 at Postal Corporation of Kenya.
- II. To determine the effects of training on the attainment of 2007-2012 performance targets at the Postal Corporation of Kenya.
- III. To determine the effects of staff motivation on the attainment of 2007-2012 performance targets at the Postal Corporation of Kenya.

### **1.5 Justification of the Study**

The outcome of the study will be of importance in a number of ways. First, it will provide state corporations in Kenya with a feedback of the employees' perceptions on performance targets. They would be able to monitor and evaluate these targets. The study would be important not only to PCK managers but also other managers in the state corporations. The study will help other managers to know the methods used in gathering and applying information on employee perceptions, which would help them improve their management styles.

Secondly, the Government of Kenya policy makers will also benefit since it would provide important information in understanding the perceptions of employees on performance targets especially among state corporations in Kenya. Policy makers may set measures which should be, along with other factors meant to reduce nonperformance among all employees in other sectors of the economy. These may include setting smart performance targets, effective and timely implementation for better performance and higher economic growth. Thirdly, it will assist interested stakeholders in evaluating state corporations in Kenya since they would want to be served by the best performing state corporation in Kenya.

Fourth, the study will contribute to the wider knowledge, both in research and academia; and the area of performance targets. The findings of this research will also be expected to contribute to the knowledge base on Human Resource Management in the areas of employee perceptions on performance targets. The study findings will provide knowledge on the employee perceptions in Human Resource Management at state corporations in Kenya. The study will also highlight other important relationships that require further research. The results of this study will be invaluable to researchers and scholars since it will form a basis for further research reference material for future researchers on other related topics. Finally, the employees in state corporations in Kenya will benefit from the study by providing them with in-depth understanding of performance targets and how perceptions keep changing with time.

### **1.6 Scope and Limitations of the Study**

The study focused on Management level employee's perceptions on organizational performance targets at the Postal Corporation of Kenya headquarters for the strategic plan period 2007 to 2012. The notion was justified because performance contracting started taking shape in Kenya in general during the period of study at PCK to be precise. This study therefore targets Postal Corporation of Kenya, where 100 management level employees or respondents were issued with the study data collection tool i.e. structured questionnaires.

This study was not without limitations. Some of the Postal Corporation of Kenya management level employees who were interviewed were suspicious of the intentions of the study and hesitated to participate in this study. However, they were given the assurance that their responses were to be used for academic research purposes and were to be handled confidentially and coded to conceal their identity.

At the same time, this study was a survey study of management level employee's perceptions on attainment of performance targets at PCK. Clearly, the applicability and generalizability of these study findings will be unique to PCK but can be replicated in other state corporations to enhance overall organizational performance and to provide a comprehensive base for future studies on employee's perceptions on performance. Intense competition attributed by a free market economic system demands that every business entity whether government entity or private must strive to remain competitive by incorporating the market and holistic philosophies

of doing business. At the core of organizational success is a notion that employees interests must be taken into consideration through the adoption of the best HRM practices accepted world over. According to the researcher, the study on employee perceptions is still an emerging area of study hence the commencement of this study.

### **1.7 Definitions of Terms**

**Perception:** An individual's belief over a phenomenon and it can either be negative or positive depending on the observed or imagined mental positioning or conditioning.

**Performance targets:** It refers to set success measurability constructs unique to an organization and is usually defined under agreed continuums.

**Training:** It refers to the acquisition of desired competencies such as knowledge

**Staff recruitment:** A sequential process off attracting and selecting qualified persons for certain predetermined job responsibilities in an organization.

**Human Resource Development:** Adoption of the best employee practises at the work place by proactively managing the workforce.

**Discourse:** Communication that is both written and spoken

**Job satisfaction:** An evaluation of a job situation and can either be positive or negative.

**Motivation:** A feeling of enthusiasm or interest that makes one determined to do or achieve something

## CHAPTER TWO

### 2.0 LITERATURE REVIEW

#### 2.1 Introduction

This chapter covers literature review from various studies on the subject matter. The study also reviews the theoretical foundations that have been used to study the phenomena of interest.

#### 2.2 Theoretical foundations

Several theories have been used to explain the relationship between employee's perception and organizational performance. It has also explained the relationship between some Human resource development aspects and performance. Among the most prominent ones are; the Resource Based View, Scientific Management Theory and Nelly's Theory on Performance. The resource-based view or theory of the firm (RBV) is usually adopted by firms as the basis for the competitive edge creation. To create a competitive advantage the firm configures a combination of resources at its disposal and more relevantly its human resources (Barney, 1991).

To create a sustainable competitive advantage these human resources must have unique characteristics beginning with competitive human resource development. They should be heterogeneous and not perfectly mobile. This implies that the human resources have to be valuable to the extent that they are neither perfectly imitable nor substitutable without great effort. Hence, where the human resource is knowledge-based or socially complex, causal ambiguity is more likely to occur as these types of human resources are more likely to be idiosyncratic to the firm in which it resides. Consequently, this may be the reason why firms might not be able to imitate a resource to the degree that they are able to compete with the firm having the valuable resource. An important underlying factor of inimitability is causal ambiguity, which occurs if the source from which a firm's competitive advantage stems is unknown. If these conditions hold, the bundle of human resources can sustain the firm's above average performance targets. If competitors are able to counter the firm's value-creating strategy with a substitute, prices are driven down to the point that the price equals the discounted future rents resulting in zero economic profits (Porter, 1980)



Firms, therefore require capabilities and unique human resources so as to effectively deliver on its mandates. According to Makadok, (2001) human resource capabilities are a special type of resource, specifically an organizationally embedded non-transferable firm-specific resource whose purpose is to improve the productivity of the other resources possessed by the firm. Resources are stocks of available factors that are owned and controlled by the organization, and capabilities are an organization's capacity to deploy resources. Essentially, it is the bundling of the resources that builds capabilities thus human resource component is the most important aspect among other resources. When the imitative actions have come to an end without disrupting the firm's competitive advantage, the firm's strategy can be called sustainable. This is in contrast to views of others like Porter (1980) who posits that that a competitive advantage is sustained when it provides above-average returns in the long run. This theory is more relevant to the current study since Postal Corporation of Kenya also requires to effectively utilize its human resource capabilities to not only create a sustainable competitive edge but to meet its set performance targets.

### **2.2.1 Perception Theory**

Perception often results into diverse forms of inequalities witnessed by employees at the work place. However, it draws its constructs from psychological and social mechanisms linking it to cohesion and other micro – social outcomes. How employees perceive and experience inequalities at the work place directly or indirectly affects their commitment to performance (Alesina & Glaeser, 2004).

The said theory developed by scholars has been reviewed by the researcher to determine exactly how it influences employees' commitment to performance depending on whether such employees perceive existence or non-existence of inequality at the work place (Wilkinson and Picket, 2010). According to the mentioned studies, perceived higher levels of inequality at the work place results in lower levels of employee commitment to performance targets.

Extensive research on employee perceived inequalities at the work place revealed that it affects attitudes and behavior in terms of how people perceive value. In work environments perceived by employees to possess perceived equality, there are higher levels of social and political trust as well as extinct levels of violent crime (Green et al., 2006).

In this study the researcher linked attainment of PCKs performance targets of 2007 – 2012 due to the fact there existed employee perception on equality at the work place which resulted in higher levels of commitment to the set performance targets exhibited by the dominant performance indicators which the study explored into details. There is need for in depth understanding on how inequality influences employee commitment at the work place by exploring effects of the mediating factors (Green et al., 2006).

Drawing from the inferences made in studies done by Marx, (1974), work situations characterized by widespread existence of inequalities employees awareness of the same usually results in negative attitudes towards the employer. In the theory of “commodity fetishism” regarding employee wage relationships, the scholar argued that true nature of perceived exploitation at the work place is usually obscured by natural nature of market relations or forces between employer and the employee in a system of free wage labor. Nonetheless, the academician concluded by accepting the fact that this varies in cases of a capitalist system (Marx, (1974).

Perceptions of inequalities at the work place are deemed important at times due to its relationship with social cohesion outcomes such as civic and political involvement. Should employees perceive existence of the phenomena at the work place that they judge to be unfair, going by set organizational standards, such employees are more likely than not to get engaged in a political or civic action efforts aimed at reversing the situation (Haste, 2004; Meyer, 2007).

### **2.2.2 Value Perception**

The researcher adopted a definition by Flucker & Turner (2000 p.4) which closely relates to the phenomenon of study. The later defined Perception as a process through which people selects, organize and interpret information gathered by human senses of thought aimed at understanding the surrounding environment. According to Chang, (2005), individual employees’ perceptions on HRM simply refer to expressions of core beliefs that the work force have concerning the employers implementation of the desired practices in the organization.

Past studies regarding employees' view of perception revealed that the latter have unique constructs of gauging the phenomena based on personal experiences regarding HRM practices in the organization, observed information as well as the leadership style which they have been exposed to in the organization. People usually filter information and experiences they are exposed to differently. Attitudinal and behavioral responses differ depending on individual's value characteristics or value perception (Nishii & Wright, 2007). In work environments where employees' views are largely in compliance with one another concerning perceived value on HRM practices, commitments levels to organizational goals are usually highly rated (Nishii et al., 2007).

In essence, employee attitudes, behaviors' and commitment to organizational goals are influenced by what they think of the management's motives to implementation of the desired HRM practices and whether such observed practices have the capability to yield individual employees' perceived value (Nishii et al., 2008 p. 8).

### **2.2.3 Staff Motivation**

The phenomenon is one of the most studied aspect of HRM in the context of organizational psychology yet its effects on organizational performance are still largely unresolved (Babnik, 2010). The aspect of staff motivation encompasses diverse perspectives hinged on personality traits and environmental factors whose interplay are perceived to be greatly influencing the attainment of set organizational objectives (Roelen, Koopmans & Groothof, 2008).

In this study the researcher concurred with generalizations attributed in the works of Mandler, (2008) which stated that perceptions influence on employee motivation has historical alienations in them due to strategic positioning of the firm internally into the domains of employees' beliefs. In order to connect environmental determinants of staff motivation at the entity of study (PCK), organizational leadership and stakeholder exchange played major roles and were perceived to have positively influenced staff motivation. The latter was believed to be possible due to an enabling psychological climate exhibited by PCK to individual employees.

This was in regards to the dominant HRM practices witnessed and experienced in the organization by the employees. The practices were perceived to be favorable in enhancing commitment levels of employees and alienating them to the set targets. The researcher attributed the said assertions as reliable bases in the study of motivation since they are in liaison with past literature in academic studies done by Bowman & Van der Gulden, (2009); Lapierre & Hackett, (2007) as well as Patterson, Warr & West, (2004).

In addition to the mentioned studies, nature of the work, interpersonal relations amongst the team members at a particular department, organizational culture and remuneration are key to influencing commitment levels to the set objectives of an organization (Souza Poza, 2000). The study explored the relationship between value perception, staff motivation at PCK and their effects on overall organizational performance in regards to financial and non financial targets. In order to understand the said effects in to details, the proponent of the study based her references on the works of Byrne, Miller & Pitts, (2010). The said studies resolved a positive perception relationship of staff motivation and organizational performance.

The scientific management theory whose key proponent was Fredrick Taylor underscored the need for effective training and development as a basis for company success and employee skills development. Demanding self-efficiency, time management skills, and continual training of employees has been known to produce higher quality productivity and reduce conflict within the workplace. Taylor identified four principles of Scientific Management: first he developed a science of work in that work would be achieved by measuring output, and by performing detailed studies of time and human movement. Secondly he developed a process of scientific selection and training in that workers should be scientifically selected and trained. Fredrick further illuminated that through training, specialization and collaboration between workers and managers could be easily achieved.

Training aims at imparting new knowledge and skills if it is relevant, based on employee and organizational needs, and is effectively designed and delivered. When training does result in improvements in relevant knowledge and the acquisition of relevant skills, employee job performance should improve, provided that the skills learned in training transfer to the job. Improvement in job performance should be reflected in organizational outcomes or results

criteria such as productivity, quality, and service, if the job is strategically aligned to the organization's needs. On the job training is 'training that is planned and structured that takes place mainly at the normal work station of the trainee-although some instruction may be provided in a special training area on site-and where a manager, supervisor, trainer or peer colleague spends significant time with the trainee to teach a set of skills that have been specified in advance. It is good for organization to give their employees on the job training so that their employees learn in a practical way. Taylor strongly believed that the Scientific Management approach would solve conflicts between workers and managers, and that the approach had the potential of highly increasing the productivity of organizations.

On the other hand despite all criticism Taylorism had a huge impact on the industrialization process in the western world, and many companies have adopted Frederick Taylor's ideas over time. Taylorism can be seen in many modern companies, such as fast food restaurants and it is highly reflected in the work processes of many modern service and manufacturing companies. Performance theory by Nelly (2005) explains that, Performance management is building of the process of assessing progress towards achieving predetermined goals by adding the relevant communication and action on the progress achieved against these predetermined goals. In organizational development, performance can be thought of as actual results vs. desired results. Any discrepancy, where actual is less than desired, could constitute the performance improvement zone.

Performance management and improvement can be thought of as a cycle that involves; Performance development where goals and objectives are established, Performance coaching where a manager intervenes to give feedback and adjust performance, Performance appraisal where individual performance is formally documented and feedback delivered Performance appraisal, also known as employee appraisal, is a method by which the performance of an employee is evaluated generally in terms of quality, quantity, cost and time taken to accomplish a certain task. On the basis of the foregoing this research is more inclined to the research based view theory. Accordingly, this study is, therefore, anchored on the theory of the firm.

### **2.3 Empirical review**

Training and motivation are important processes that organizations use to ensure the right amount of people and the right mindset deliver a particular level of output or services. They lay a lot of emphasis on character or attitudinal aspects of employees. Human resource development processes involve the following; Forecasting Labor demand, estimating labor supply and putting in place appropriate plans either to bridge the deficit or mitigate against the excess. HRP intervention plans include; Internal promotions, hiring from outside the organization, training and re-training, management development and succession development, out-sourcing, right-sizing, transfers and re-deployments and flexi-working arrangements (Gomez-Mejka *et. al*, 2003),

While researching on manpower forecasting, Rausch (2002), found out that in forecasting future manpower requirements, many organizations use mathematical projections to project trends in the economic environment and development of the industry, making an inventory of present manpower resources and assessing the extent to which these resources are employed optimally.

At times when an organization is growing or diversifying, it might need to find and tap into a source of suitably skilled labor. That is why managers need to plan in advance even for procuring human resources, which in contrast to a general myth are not abundant. Thus, in the same line, managers propose that an organization can achieve its goals effectively through effective contingencies of all the HR functions; for example, the structure of an organization and the design of the job within it affect an organization's ability to achieve only through the efforts of people. It is essential therefore, those jobs within the organization be staffed with the personnel who are qualified to perform them. Meeting these staffing needs requires effective development for human resources (Rausch, 2002).

In an early treatment of the human resource development, Vetter (1997) defined human resource development as the process by which management determines how the organization should move from its current manpower position to its desired position. Through development, management strives to have the right number and the right kinds of people, at the right places, at the right time, doing things which result in both the organization and the individual receiving maximum long-run benefits. Contemporary human resource development occurs within the

broad context of organizational and strategic business development. It involves forecasting the organization's future human resource needs and development for how those needs will be met. It includes establishing objectives and then developing and implementing programs (staffing, appraising, compensating, and training) to ensure that people are available with the appropriate characteristics and skills when and where the organization needs them. It may also involve developing and implementing programs to improve employee performance or to increase employee satisfaction and involvement in order to boost organizational productivity, quality, or innovation. Finally, human resource development includes gathering data that can be used to evaluate the effectiveness of ongoing programs and inform planners when revisions in their forecasts and programs are needed Mills, (2005).

Because a major objective of development is facilitating an organization's effectiveness, it must be integrated with the organization's short-term and longer term business objectives and plans.' Increasingly this is being done in leading organizations, although in the past business needs usually defined personnel needs and human resource development, which meant that development became a reactive process. The reactive nature of the process went hand- in-hand with a short-term orientation. Major changes in business, economic, and social environments are creating uncertainties that are forcing organizations to integrate business development with human resource development and to adopt a longer term perspective (Lawrence, 1999).

In his early studies Nkomo, (2008) showed that environmental scanning analysis is the starting point for human resource development. It entails the systematic identification and analysis of key trends and forces in the external environment having a potential impact on the management of the human resource, and requires the development of consistent patterns in streams of organizational decisions. Changes taking place in the technological, economic, socio-cultural, legal/regulatory, education and labor market environments are monitored for their impact on human resource strategies and programmes. Significant environmental changes with human resource implications underpin the selection of strategic alternatives to achieve compatibility between the human resource management systems and the external forces.

Interpretation of strategic objectives is the second stage in human resource development. Changes in the strategic direction of the organization may involve substantial shifts in the types of employees required and the work to be performed, although the choices

available to an organization in this respect are constrained by the quality and quantity of its current human resource or that available in the external labor market. The current extent, nature and potential of an organization's human resource are thereby determinants of the organization's adaptive ability. The role of the analysis is to define the capabilities required to implement the organization's strategy, primarily focused on the capacity to act and change in pursuit of sustainable success Mintzberg, (2003).

The analysis of the internal human resource is an inventory exercise. At the micro level the analysis is made of the current number of employees, their job-related skills, demographic make-up, performance levels (productivity), potential performance, management competences and work attitudes. Such an analysis helps to identify current human resource strengths and weaknesses. The data forms a baseline of human resource capabilities, which could be available for future organizational requirements. The macro level analysis involves diagnosis of organizational philosophy, culture, climate, performance orientation, organization structure, quality of work life, trends in wastage and absenteeism, and current status and effectiveness of the personnel systems. Forecasting human resource demand enables the organization to gain knowledge about future requirements in response to its objectives (Sanchez, 2009).

Max Weber's writings in the 18<sup>th</sup> century, posits that Bureaucratic Organizations has brought on board the following characteristics; first, a well-defined formal hierarchy and chain of command that distinguishes the level of authority within an organization. Individuals who hold higher positions will supervise and direct lower positions within the organizational hierarchy. At the same time, management by rules and regulations provides a set of standard operating procedures that facilitate consistency in both organizational and management practices. Division of labour and work specialization are used to align employees with their organizational tasks. This way, an employee will work on things with which he or she has experience and knows how to do well. Managers should maintain an impersonal relationship with employees to promote fair and equal treatment of all employees so that unbiased decisions can be made. An employee should be chosen, placed and promoted within an organization based on his or her level of experience and competency to perform the job and lastly formal written records are used to document all rules, regulations, procedures, decisions and actions



taken by the organization where members are expected to preserve consistency and accountability. A policy and procedures manual is a good example of formal records.

## **2.4 Performance Targets**

Managers must determine whether or not their workers are doing an effective job, with a minimum of errors and disruptions. Effective management means getting results through top performance of employees (Nickels, 2005). Employee work performance will be determined by job satisfaction and motivation which are concerned as an employee's attitude towards his or her work, organization rewards, social environment, organizations and physical environments in which work is performed may be attributed to inadequate knowledge and skills. Training and proper recruitment is useful in filling such gaps. Performance in firms is managed through performance management, the process by which executives, managers and supervisors work to align employee performance with the firm's goals (Desseler, 2003). This is line with establishment of performance targets.

Performance targets are the success measures of the organization's performance management system and are defined by performance indicators. Without performance targets the organization's vision cannot be quantified. Target setting is strategic process to establish performance goals. It is therefore carried out concurrently with other management activities, in particular the implicit consideration of strategic choices (Kaplan & Norton, 1996).

Target setting is critical for effectiveness of performance measurement and management. Kaplan and Norton, (1996) for example, only recommend the use of stretch targets. Ahn, (2001) proposes that the interdependencies between the measures should be taken into account when quantifying the values of the targets to be attained each year. There is little evidence in relation to the use of targets across broad multidimensional perspectives of performance.

Most continuous improvement targets are based on past performance; and that usually, targets are imposed by managers without consultation, with rewards linked to the attainment of those targets. This practice increases the level of resistance to targets and deteriorates the value of the Strategic Performance Management systems. One of the most robust research findings in the behavioral sciences is that goal setting has a beneficial effect on employees work performance (Locke & Latham, 1990).

Difficult, challenging goals lead to higher performance than do easy goals, provided that the job holder accepts and is committed to the goal therefore the harder the goal, the higher the performance given goal acceptance. Specific goal targets lead to higher performance than do vague, general targets. Harris, (1995) posits that clarity over what is expected and how each employee fits in to the bigger picture helps to avoid activity trap.

## **2.5 Human resource management**

Johnson (1990) argues that the Human resource management should start by setting the strategic direction, designing the Human Resource Management System, development the total workforce, generating the required human resources, investing in human resource development and performance and assessing and sustaining organizational competence and performance.

It is a systematic process that is integrated, methodical, and ongoing. It involves identifying the human capital required to meet organization goals, which consist of determining the number and skills of needed workers, where and when they will be needed. Generating the required human resources is the process that focuses on recruiting, hiring, classifying, training and assigning employees based on the strategic imperatives of the organization's workforce plan.

HRM practitioners were required to design a comprehensive workplace skills plan that will help identify appropriate training priorities based on the organizations workforce needs now and in the future (Sloan,1998). Johnson (1990) argues that HR development is a continual process used to align the needs and priorities of the organization with those of its workforce to ensure it can meet its legislative, regulatory, service and production requirements and organizational objectives. HR practices enables evidence based workforce development strategies (Melik, 2010).

Human resource management can only make sense when seen in relation to business objectives. Development of manpower is a resourcing activity since the basic demand of people springs from the organization's need to supply goods or services to its customers (Cole, 1993). Manpower resources can have a vital impact on an organization's objectives. Without the required workforce an organization may not perform or outcompete well in its market area compared to its rivals.

Recruitment and selection are core areas of human resource development (Wright & Storey, 1994). They are the levers of organizational change, sustaining employee commitment and achieving high performance. Resourcing strategies should maintain the required number and quality of staff within an organization and ensure suitability for its future development. Sparrow, (1994) asserts that instead of viewing resourcing as a matter of recruiting individuals, it is seen as a means of adding to the pool of competencies in an organizations human capital. The importance attached to recruitment is evident in the assertion that appointment decisions are some of the most crucial ones ever taken by employees.

Human resource management is a strategic approach to investing in human capital and it is expected to be an important determinant of organizational performance. A variety of human resource management practices are related to the development of human resource of a firm. Company investments in both technical and non-technical training are likely to have a positive impact on the extent to which a firm actually succeeds in developing the skills and knowledge of its employees. Huselid & Delaney, (1996) observed that training is a high performance human resources management practice and it contributes to organizational performance.

Career management no longer matters to the employees alone. As key leadership and technical talent become increasingly scarce, an effective approach to career management is crucial to a company`s continuing growth and success. Internally, this means understanding the existing talent pool and how best to leverage employee strengths and ambitions. Externally it means having the right tools to attract the best people. An effective career framework helps companies respond to many of the challenges facing organizations today including; talent management, cost management, managing and deploying talent remotely and globally and creating a high performance work environment (Armstrong, 2009).

Human resource management entails developing the strategies to meet these requirements, which involves identifying actions that must be taken to attract and retain the number and types of workers the organization needs (Sloan, Julie, 2010). It is important in many ways in that the plan helps to map out contingencies, retain critical talent and bolster employer`s brand for a more promising future.

Human resource management is considered an interactive discipline. The cycle of workforce development includes filling resource requests, analyzing resource utilization, forecasting capacity, managing and identifying the resources (human) to fill that capacity, and then re-starting the cycle. The HR management should plan to hire workforce who are multi - skilled and who can be moved around if need be. The human resource should also plan the next move in case some of its key employees leave in order to replace them when it's not too late.

Cole (1993) argues that any manpower supply must commence with the existing state of the organization's manpower. The HR decision makers need to check on the numbers categories of staff they have; the numbers in each category, the age and sex distribution within each categories, the skills and qualifications that exist, the number of staff suitable for promotion or re-deployment and the degree of success in recruiting particular categories of staff (Cole, 1996). In order to achieve the expected number of workforce, the management should, determine the appropriate organizational structure to support the strategic objectives, structure jobs (competencies, tasks and activities) around key activities, develop a workforce plan designed to support the organizations strategic objectives and compile workforce profiles, identifying designated groups, an inventory of current workforce competencies, competencies required in the future and identified gaps in competencies (McClelland, 1960).

Generation of required workforce will require the HR person to evaluate recruitment and selection practices in light of the organization's strategic objectives, develop and implement a comprehensive workplace skills plan, implement a learner ship strategy and adopt or clarify occupational levels and category classifications. Effective HR development helps organizations identify and plan how to tackle their current and future workforce challenges and priorities. It provides a sound basis for developing an effective workforce strategy (Sloan, 2010). Workforce review activities are important for generating feedback information since the review tells the organization not only how well it is achieving its workforce plans, but also points the way to necessary changes in course that must be made at one or more points (Cole, 1996)

## **2.6 Employees perceptions on Human resource management aspects that impact on attainment of Performance Targets**

Employees create an important source of competitive advantage for firms. As a result it is important that a firm adopts human resources management practices that make best use of its employees. Conceptually, human resource development can be classified in terms of their impact on employees' skills and ability, motivation and the way that work is structured (Arthur, 1994, Huselid, 1995, Pfeffer, 1994). Organizations can adopt various means to enhance employee skills. First efforts can focus on improving the quality of the individuals hired or on raising the skills and abilities of the current employees or both. Employees can be hired via sophisticated screening procedures designed to screen out all but the very best potential employees. Indeed research indicates that selectivity in staffing is positively related to firm performance (Becker and Huselid, 1992).

In addition organizations can improve the quality of employees by providing comprehensive training, staff motivation, conducive work environment and career growth. Considerable evidence suggests that investments in training produce beneficial organizational outcomes (Bartel, 1994). The effectiveness of skilled employees will be limited, however if they are not motivated to perform their jobs. The form and structure of an organization's HRM systems can affect employee motivation levels in several ways. First, organizations may implement merit pay or incentive compensation that provides rewards to employees for meeting specific goals (Gerhart & Milkovich, 1992). Protecting employees from arbitrary treatment perhaps via a formal grievance procedure may also motivate them because they can expect their efforts to be fairly rewarded (Ichniowski et al., 1994).

The way in which a workplace is structured also affects organizational performance to the degree that skilled and motivated employees are involved in determining what work is performed and how this work gets accomplished. Employee participation systems (Wagner, 1994), career development programs to enable employees advance within a firm, and team based production systems (Levine, 1995), are all forms of work organization that have been argued to positively affect firm performance. In addition, it's the provision of job security that encourages employees to work harder. As noted by Ichniowski et al (1994), workers will

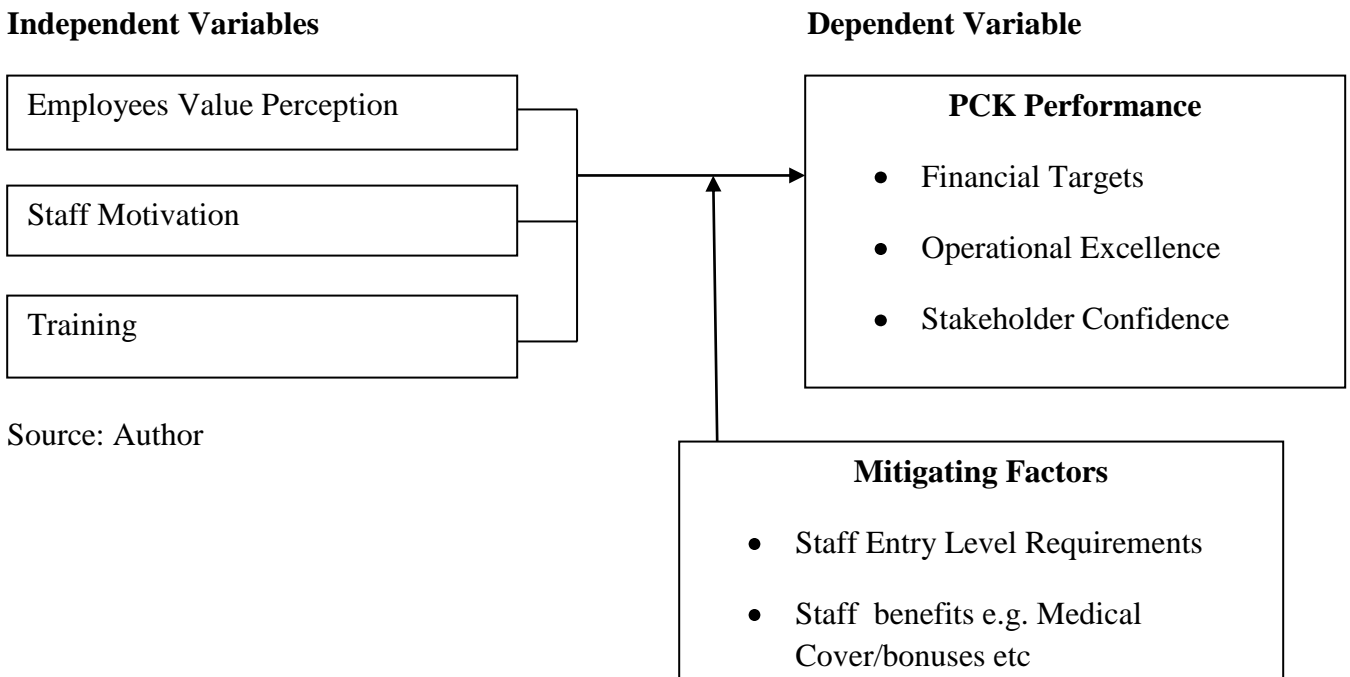
only expend extra effort if they expect a lower probability of future layoffs. It is also unlikely that rational employees will identify efficiency enhancing changes in work structures if such changes would eliminate their job security (Levine, 1995).

Most studies have not reflected on employees perceptions with particular reference to performance targets .Similarly the focus on training and staff motivation is rare in empirical literature. This literature identifies gaps and subsequently underscores the relevance of the proposed study.

### 2.7 Conceptual Framework

The conceptual framework of this study diagrammatically demonstrates how the research variables inter-relate with each other. This is best illustrated in figure 1.1 below

Figure 1.1 **Conceptual Framework**



Source: Author

The dependent variable of this study is attainment of performance targets. This is dependent on how employees perceive training and motivation of the firm which are the independent variables in this study. Hence, employee training and motivation leads to attainment of performance targets. The nature of organizational performance of targets is dependent on training which is a learning process that involves the acquisition of knowledge, sharpening of skills, concepts, rules, or changing of attitudes and behaviors to enhance the performance of employees. Training of workers gives them the knowledge to undertake the activities in the organization easily. If quality training is enhanced it means that the employees will have better knowledge on what needs to be done to bring about easy undertaking of the set targets. Employees perceive training to be useful to them as individuals due to the acquired skills and as such they enhance their commitment levels to the assigned duties. On the other hand employees perceive staff motivation as a value add to their lives and as a result they enhance their efforts towards attainment of the set targets. Employees perceive that with an increase in revenue, this translates to a salary increment or a bonus.

### **2.7.1 Research Hypothesis**

The researcher adopted Kothari's notion that a research hypothesis is usually a predictive statement that relates an independent variable with the dependent variable and must contain either one or more of the later. Therefore, in this study, the researcher adopted a hypothesis based on the observed correlations between the collected data on the independent variable to those of the dependent variables of the study as follows;

H1: Management level employee's perception on training and staff motivation have positively influenced the attainment of performance targets at the Postal Corporation of Kenya during the period of study.

## **CHAPTER THREE**

### **3.0 RESEARCH METHODOLOGY**

#### **3.1 Introduction**

The chapter discusses the research design used, target population and sampling methodology. The chapter also introduces data collection instruments employed by the researcher and the preferred analysis of the data generated in the study.

#### **3.2 Research Design**

The researcher adopted a descriptive research design because it allows for easier generalization of the study findings by use of descriptive statistics such as sample means, standard deviations and frequencies. The study focused on the Postal Corporation of Kenya as the unit of analysis. It was a survey study that sought to assess management level perceptions on training and staff motivation and their overall effect on attainment of performance targets at Postal Corporation of Kenya between the period covered by the Strategic plan of 2007 - 2012. It was on this basis that researcher was able to extract detailed secondary data from the available records such as interdepartmental performance appraisals as well as end year financial statements which were then compared and the results indicated exponential growth. The researcher borrowed heavily from Cooper and Schindler, 2000 who opines that studies involving survey studies are of particular value when one is seeking help on investigating contributions in which interrelationships of a number of competing factors are involved, and in which it is difficult to understand the individual contributions without considering their relationships with each other.

#### **3.3 Target Population**

This study targeted Postal Corporation of Kenya as the target population. According to human resource management staff establishment (2012) there were a total of 4500 employees. Amongst the later management level staff stood at 335 members apportioned according to need and sensitivity within the targeted departments in the study.

This study considered a sample size of 30% which the researcher considered representative enough for the study and could be used to make generalizations of the findings to predict how the entire population would react or behave. The researcher therefore focused on approximately



100 management level employees to fill in the closed ended structured questionnaires. The same assertions were supported in studies done by other scholars who stated that a sample size of 30% is considered scientifically exhaustive enough to be used to draw inferences from the target population. This study targeted 100 members of the management staff representing the said percentage from four key departments, with a view to gathering detailed data on the effects of employee perceptions on attainment of performance targets in PCK for the period covered by 2007 – 2012 strategic plan.

### **3.4 Sample Design**

Probability sampling design was used in the study to choose a sample of 100 respondents who were issued with the structured questionnaires. Disproportionate stratified sampling technique was used to select respondents from the targeted respondents. The proponent of this study adopted the said probability sampling technique because it allows even the lesser represented strata to get sampled in the study therefore eliminating the probability of biasness in selecting respondents. Consequently, the researcher is confident that the stratum categorization used in the study exhaustively denotes stratum homogeneity and strata heterogeneity of the study population. The target respondents of the study comprised of 100 employees from the four key departments namely Courier & Parcels, Mails, Operations & Customer care and financial services departments. The employees were categorized into four strata namely; top management, Middle level and supervisory cadre staff. A total of 100 respondents were then picked randomly from each subgroup.

The researcher divided the strata for the study into four namely top level managers (Management grade 1 to 4), Middle level managers (Management grade 5 & 6), Supervisors level one (Grade 7) and finally supervisors level two (Grade 8). The information is exhibited in the table below:

The researcher preferred the use of disproportionate stratified sampling method because it allows for adequate representation of the lesser staffed cadres to be sampled without bias. This was necessary because other management scales had lesser number of staffs compared to others and in order for the study to have successfully accomplished its objectives, diversified opinions were necessary from the management level staff members.

**Apportionment of the questionnaires**

The researcher borrows from the statistical works by Kothari, (2004 p.64) on disproportionate stratified sampling formula written below to ascertain per stratum sample elements determination:

$$n_i = \frac{n \cdot N_i \cdot \sigma_i}{N_1 \sigma_1 + N_2 \sigma_2 + N_3 \sigma_3 + N_4 \sigma_4}$$

Where **n** is the sample size for targeted management employees per stratum

**N<sup>i</sup>** represents population sizes for individual stratum

**σ** represents the standard deviation of individual stratum categorized into four main stratum respectively. Consequently numerical 1, 2, 3 and 4 represents the named stratum used as stratification bases in the study.

Stratum	Frequency F	Deviation (x - μ)	Deviation (x - μ) <sup>2</sup>	$\sqrt{\frac{\sum d^2}{n-1}}$	Bases for Stratification
1. Top level	18	-7	49	2.22	Scale 1 to 4 grade
2. Middle level	24	-1	1	1.91	Scale 5 & 6
3. Supervisor level one	30	5	25	1.70	Scale 7
4. Supervisor level two	28	3	9	1.76	Scale 8

Source: Author.

**3.5 Data Collection Techniques**

Primary data was collected mainly by use of a questionnaire. The questionnaire consisted of structured, open and closed ended questions. It was administered by the researcher by way of drop and pick method. The researcher achieved an overwhelming confidence level in the study since all the 100 questionnaires administered, were dully filled and returned. This was possible since most of the respondents were based at the Postal Corporation of Kenya headquarters in

Nairobi. The returned questionnaires represented over 95% precision rate hence reliability of the findings of the study.

### **3.5.1 Primary Data**

This is a list of questions that were sent to a number of persons seeking their responses that were tabulated and treated statistically thereafter. The researcher used both structured and semi structured questions covering the two objectives of the study. Data on training and its role on performance targets were obtained from top level management of PCK. Research data was significant as it brought out issues on training policy, training needs assessment and evaluation required to deliver positive key performance targets at PCK. At the same time data on the role of recruitment/staff entry levels on attainment of performance targets was obtained from supervisors and top management teams. The data obtained was significant as it brought out the frequency of recruitment strategies and the role of recruitment of the delivery of firm goals.

### **3.5.2 Secondary Data**

The secondary data was obtained from materials available in the organization, like booklets, journals and manuals covering the study. This was analysed using content analysis. Much of the data was qualitative in nature. It was categorized to be part of the thematic areas on the findings of the study.

### **3.5.3 Validity and Reliability of Research Instruments**

Instrument validity was tested by the researcher. The researcher pre-tested the questionnaire to clear any inherent ambiguities. The researcher sought to understand how the data was gathered to help determine if the research really captures the information the way the researcher intended.

Instrument reliability on the other hand was achieved by the researcher by making sure that the instrument used for data gathering produced consistent results. This was done by developing standardized questions coded for easier analysis using statistical package for social science (SPSS). The researcher ensured there was reliability by generating understanding of the data collected and ensuring that analysed results were of high quality.

### **3.5.4 Administration of Questionnaires**

Questionnaires were administered by the researcher herself. The questionnaires were dropped to the respondents and picked after two weeks. Questionnaires were preferred for the purpose of confidentiality of the respondents. The data was quantitative in nature and therefore the later was the most preferred tool in order to aid analysis using SPSS Software.

### **3.6 Data Analysis Methods**

The data collected was analyzed using both quantitative and qualitative techniques. Quantitative data analysis was used to analyze data obtained using open and closed ended questions where response frequency and percentage was computed using a Statistical Package for Social Scientists (SPSS). This was presented in form of tables and charts. Qualitative data was analyzed by content analysis. This is because the data collected was qualitative in nature.

## **CHAPTER FOUR**

### **4.0 STUDY FINDINGS**

#### **4.1 Introduction**

This chapter provides an analysis of data collected from the field. The results are presented in bar graphs and tables and content analysis to highlight the major findings. They are also presented sequentially according to the research questions of the study. The researcher used percentages to analyze the data collected for easier interpretation. The raw data collected by the structured questionnaires were coded, evaluated and tabulated to depict clearly the influence of predictor variables on the independent variable by clearly depicting aspects of performance indicators as observed by respondents working at Postal Corporation of Kenya which is the entity of interest to the researcher in studying management level employees' perception on performance targets of 2007 – 2012 at PCK.

#### **SECTION A: Demographic Information**

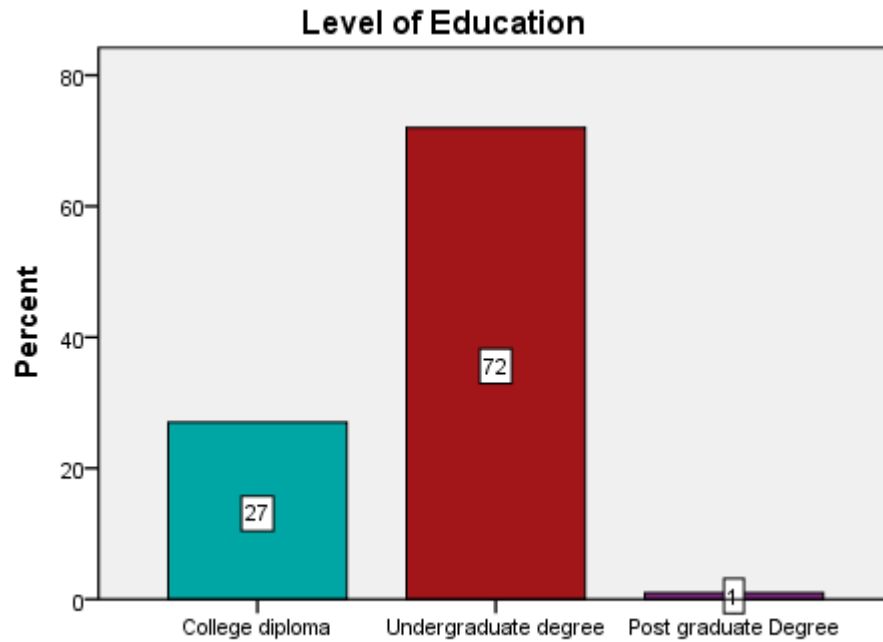
#### **4.2 Response Rate**

Questionnaires were distributed to 100 respondents all of which dully filled and collected back successfully by the researcher. This constituted a response rate of 99% hence generated a higher confidence level in the study. The study sought to establish the information on the respondents employed in the study with regard to the academic background and duration of service and collected Bio data information of the respondents' appropriateness in answering the study questions. The answers received were analyzed as follows:

##### **4.2.1 Academic Background**

The respondents were asked to indicate their academic background. Figure 4.1 shows the study findings on the respondents academic background. Majority of the respondents thus 72% and 27% indicated they had undergraduate degree and diploma education respectively. This was followed by those who indicated they had a postgraduate degree at 1%. None of the management level staff had O – level qualification. Cumulatively, all the respondents in the study were highly literate and the researcher was therefore convinced that they were the right people to have been used to explore the effects of perception on performance targets at PCK. This situation strongly depicts reliability on the study respondents as well as the information generated from them by the data collection instrument used in the study.

**Figure 4.1: Academic Background**



Source: Research data, (2013)

#### **4.2.2 Length of Service**

The respondents were asked to indicate the number of years that they had worked at PCK as management staff. From the data generated, 52% had worked for more than 3 years but less than 4 years while 14% of the respondents have been in the management between 2.1 to 3 years with only 4% asserting they had been in the PCK management for less than two years. Cumulatively, the results showed that majority of those respondents used in the study i.e. 66% were more experienced staff as they had been holding management positions for long and were capable of rightfully giving correct information on the nature of HRM practices implementation at PCK. Figure 4.2 below shows the results of the study on length of service of the respondents

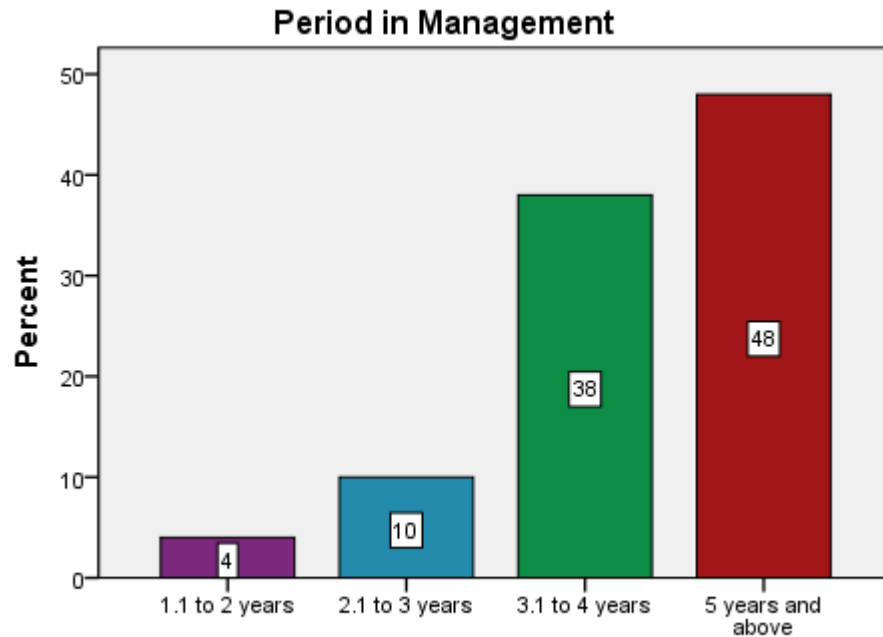
**Table 4.1: Length of service**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
1.1 to 2 years	4	4.0	4.0	4.0
2.1 to 3 years	10	9.9	10.0	14.0
3.1 to 4 years	38	37.6	38.0	52.0
5 years and above	48	47.5	48.0	100.0
Total	100	99.0	100.0	
Missing System	1	1.0		
Total	101	100.0		

Source: Research data, (2013).

The same results are shown on the bar graph below for easier interpretation at a glance by the audience of the study.

**Figure 4.2: Period in Management**



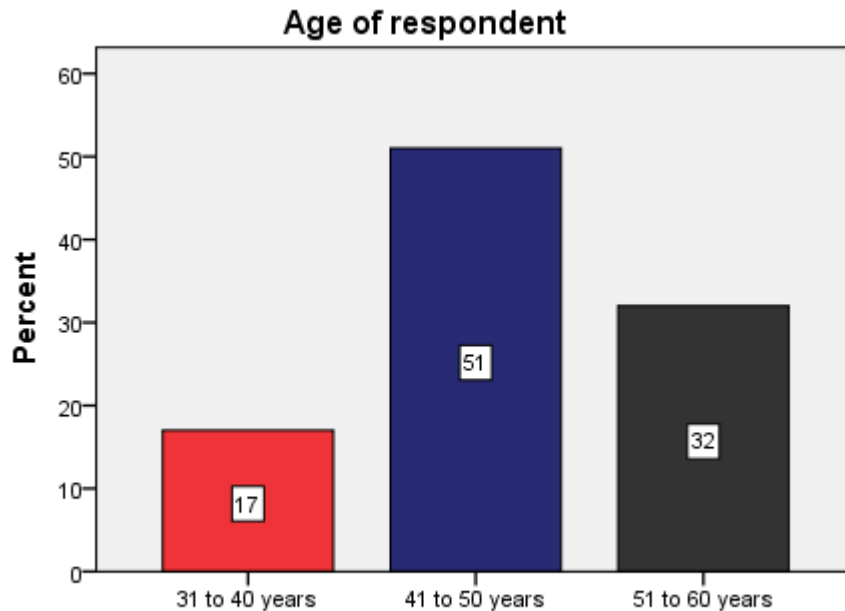
Source: Research data, (2013).

### **4.2.3 Age of the respondents**

The researcher sought to know the age of the respondents used in the study in order to ascertain whether the results from the respondents were anecdotally stated or they were reliable results given out in confidence by employees who possessed work experience spanning over years of service. The researcher's interest was to be sure of the results in terms of reliability. As can be seen on the bar graph below, 17% were falling in between the ages of 31 to 40 years, 51% were in between 41 to 50 years while 32% were amongst the age of 51 to 60 years. Cumulatively all the respondents were above the age of 18 years were believed to be more experienced in their areas of jurisdictions hence could give reliable information about the phenomenon of study. Figure 4.3 clearly demonstrate the findings mentioned above on the respondents age.



**Figure 4.3: Age of the respondents**



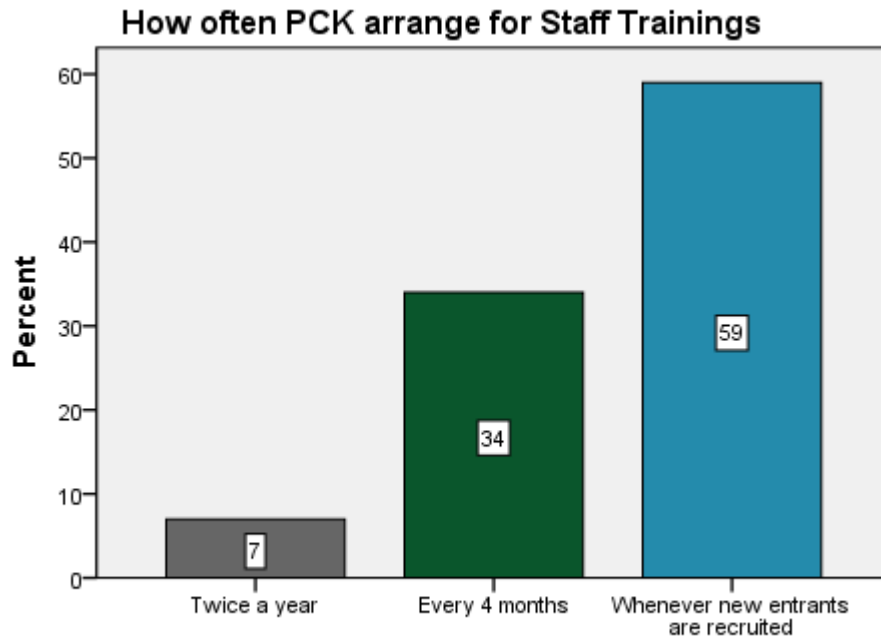
Source: Research data, (2013).

**OBJECTIVE ONE: Perceived effects of training on attainment of performance targets**

**4.3 Training**

The researcher sought to know whether and after how long PCK arranges for staff trainings of the employees whose contributions are necessary for attainment of the set performance targets in the organization. According to the data generated by the study, 59% of the respondents affirmed that trainings are arranged whenever new staff enters the organization after recruitment while 34% confirmed that the organization usually organizes for such trainings to be conducted every 4 months. Only 7% said that such trainings are arranged twice a year. The results clearly showed that all the respondents are aware of training and must have been trained by the organization in any one financial year. Cumulatively, 93% of the respondents were of the opinion that trainings are done frequently at PCK i.e. after every four months and whenever new recruits joined the organization therefore confirming overwhelmingly that indeed training of staff was one of the pillars upon which the attainment of PCK performance targets were hinged upon. The said results are indicated on figure 4.4 below:

**Figure 4.4: Length of undertaking training in Postal Corporation**



Source :( Research data, 2013)

### **4.3.1 Policy on training**

Table 4.2 Policy on training asked whether they had a policy in training .Majority of the respondents indicated that they had a policy at 95% while only 5% indicated that there no existence of training policy. The researcher attributed the higher percentage of the respondents in the affirmative to be due to the fact that they had been trained repeatedly by the organization at their respective jurisdictions. This further confirmed the study entity’s commitment to training of the new and existing staff in order to improve efficiency and effectiveness at work in the organization.

**Table 4.2: Training & Recruitment policy**

	Frequency	Percent	Valid Percent	Cumulative Percent
No	5	5.0	5.0	5.0
Valid Yes	95	94.1	95.0	100.0
Total	100	99.0	100.0	
Missing System	1	1.0		
Total	101	100.0		

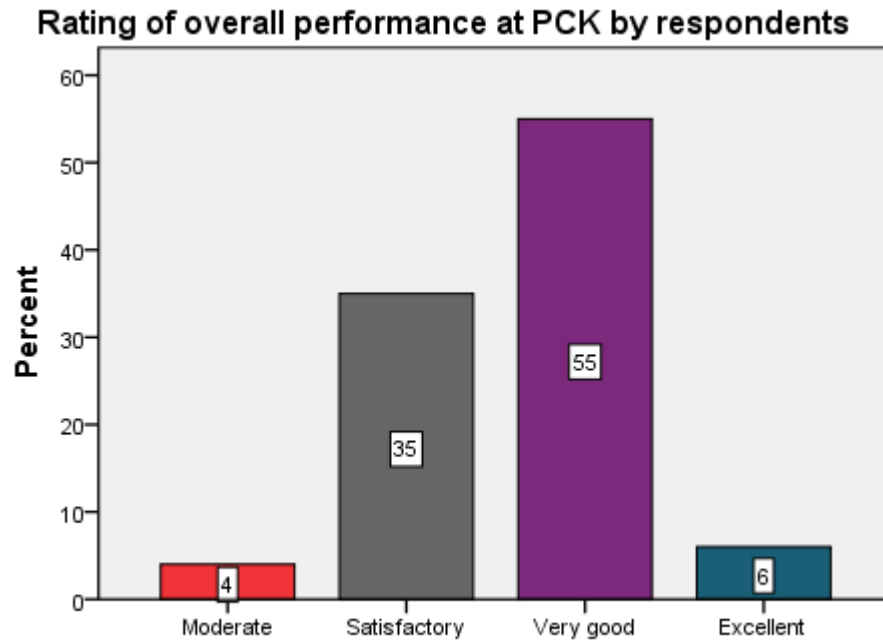
Source: Research data, (2013).

**Stakeholder rating of PCKs overall performance index**

Since the entity of study (PCK) operates within competition context, it was necessary to investigate whether internal perceived performance witnessed in the organization was translating into developing stakeholder confidence whose result was believed to yield repeat business relations for PCK. The researcher therefore asked the respondents how they perceived stakeholder rating in relation to overall performance of the firm and the results displayed in the bar graph below were obtained.

From the data collected, 35% were of the opinion that PCKs performance was satisfactory, 55% perceived it to be very good while 6% affirmed that PCKs performance was excellent. Cumulatively, 96% of the respondents perceived that the organization was performing hence the reason of the attainment of the set organizational targets. This answers the perception of the management level employees on performance that indeed there were positive achievements of the set targets at PCK. The results are shown of figure 4.8 under leaf for easier interpretation;

**Figure 4.5: Rating of overall performance at PCK by respondents**



Source: Research data, (2013).

#### **4.4 How staff recruitment/entry levels enhanced competitiveness at PCK**

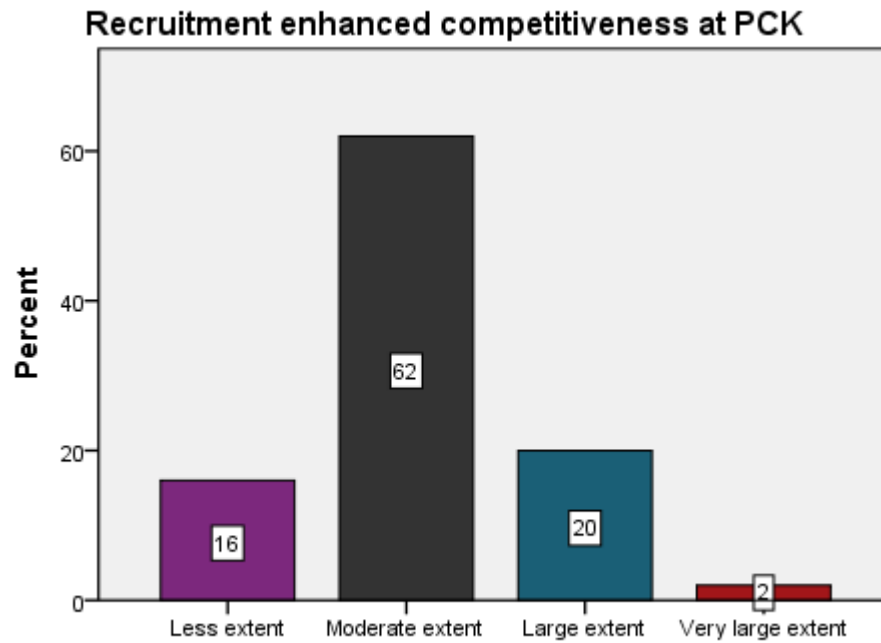
Asked whether staff recruitment/entry levels enhanced competitiveness at PCK, the respondents gave the following answers displayed on the table drawn below. From the data generated, 62% were of the opinion on a moderate extent, 20% supported the opinion to a large extent while only 2% believed that the opinion was right to a very large extent. Cumulatively, 84% supported the opinion on staff recruitment positively. This clearly demonstrated the effect of recruitment/entry levels as a predictor variable phenomenon to be directly influencing performance positively at PCK hence contributed effectively to the attainment of the performance targets.

The table 4.3 and a bar graph on figure 4.7 clearly depicts the results mentioned above as can be seen below:

**Table 4.3: Recruitment enhanced competitiveness at PCK**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less extent	16	15.8	16.0	16.0
Moderate extent	62	61.4	62.0	78.0
Large extent	20	19.8	20.0	98.0
Very large extent	2	2.0	2.0	100.0
Total	100	99.0	100.0	
Missing System	1	1.0		
Total	101	100.0		

**Figure: 4.6: Recruitment enhanced competitiveness at PCK**



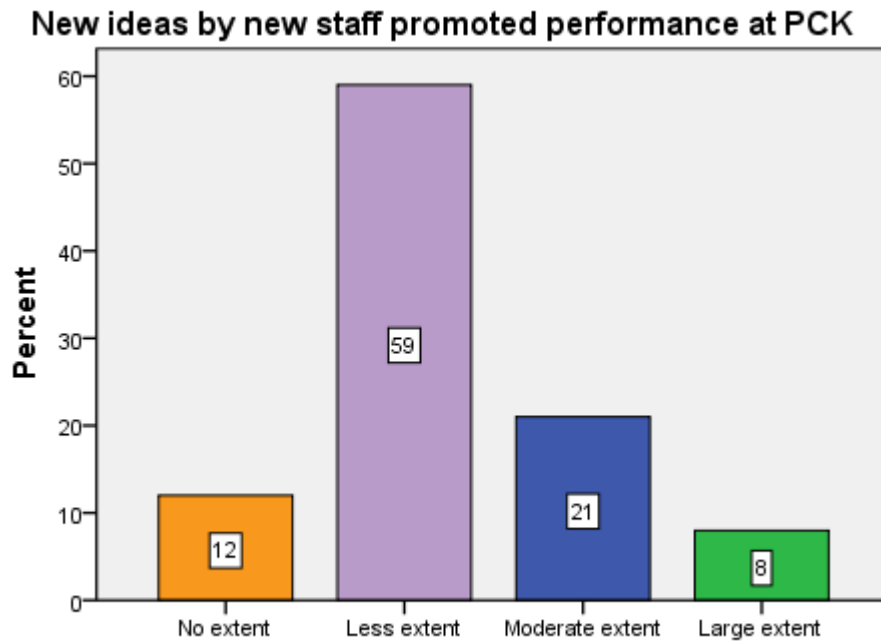
Source: Research data, (2013).

#### 4.5 Did new ideas by new employees promote performance at PCK?

The respondents were asked to indicate whether new ideas perceived to have been brought into the organization by new employees were fundamental to the attainment of the set performance targets. From the results obtained by the study, 59% of the respondents were of the opinion to a less extent while 12% did not feel any impact of the new entrants on the attainment of the said set targets. Only 21% affirmed the assertion to a moderate extent followed by 8% of the respondents on a large extent. Cumulatively, 71% were not for the stated opinion indicating minimal influence of new employees on performance targets. The researcher attributed this to the fact that new entrants were still undergoing trainings on their jobs so they could not have appeared to have more experience or expertise in their areas of jurisdictions.

The results are displayed on the bar graph on figure 4.7 below:

**Figure 4.7: New ideas by new staff promoted performance at PCK**



Source: Research data, (2013).

#### 4.6 Did Strategic recruitment promote specialization and staff confidence on PCK?

In exploring the aspects of HRM into details in order to generate clear perspectives on the effects of employee perceptions on attainment of the performance targets at PCK, the researcher asked respondents how they perceived strategic recruitment influence on the dependent variable and the results written on the bar graph on figure 4.9 below were obtained. From the analyzed data, 45% were for the opinion to moderate extent while 43% supported it to a large extent with 4% of the respondent's supporting the opinion to a very large extent. This represented a total of 92% of the respondents confirming the said opinion on the affirmative. The researcher therefore resolved that indeed by the organization adopting strategy in HRM practices internally, they can improve and enhance the attainment of set performance targets to a very large extent. The results were displayed on figure 4.9 below:

**Figure 4.8: Strategic recruitment promoted specialization and stakeholder confidence**



Source: Research data, (2013).

**4.7 Did Implementation of HRM policies enhance revenue growth at PCK?**

The results exhibited on the table below on figure 5.2 showed that effective implementation of HRM policies at PCK were vital for the attainment of the performance targets covered by the startegic plan of 2007 – 2012. Fom the results obtained by the study, 41% supported the opinin to a moderate extent while 45% were for the opinion on a large extent followed by 6% who supported it at very large extent. This clearly indicated that the organization’s ability to effectively implement its HRM policies was very important for the overall success in attaining performance targets for the period covered by the study.

**Table 4.4 : Implementation of HRM Policies enhanced revenue growth at PCK**

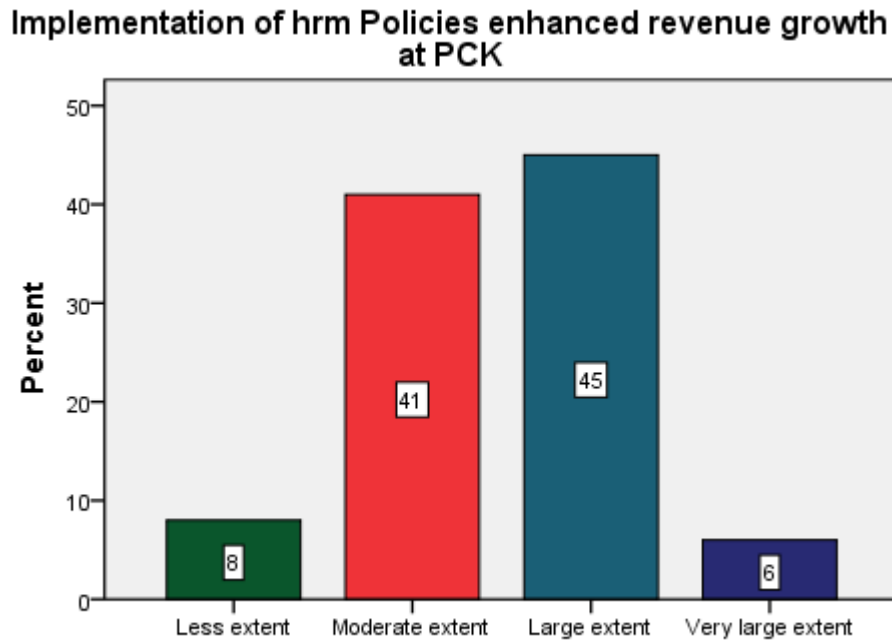
	Frequenc y	Percent	Valid Percent	Cumulative Percent
Less extent	8	7.9	8.0	8.0
Moderate extent	41	40.6	41.0	49.0
Valid Large extent	45	44.6	45.0	94.0
Very large extent	6	5.9	6.0	100.0
Total	100	99.0	100.0	
Missing System	1	1.0		
Total	101	100.0		

Source: Research data, (2013).

The same results shown on the table above are also exhibited on the bar graph below (under leaf) on figure 5.3 for easier interpretation by the study audience:



**Figure: 5.9: Implementation of HRM policies enhanced revenue growth at PCK**

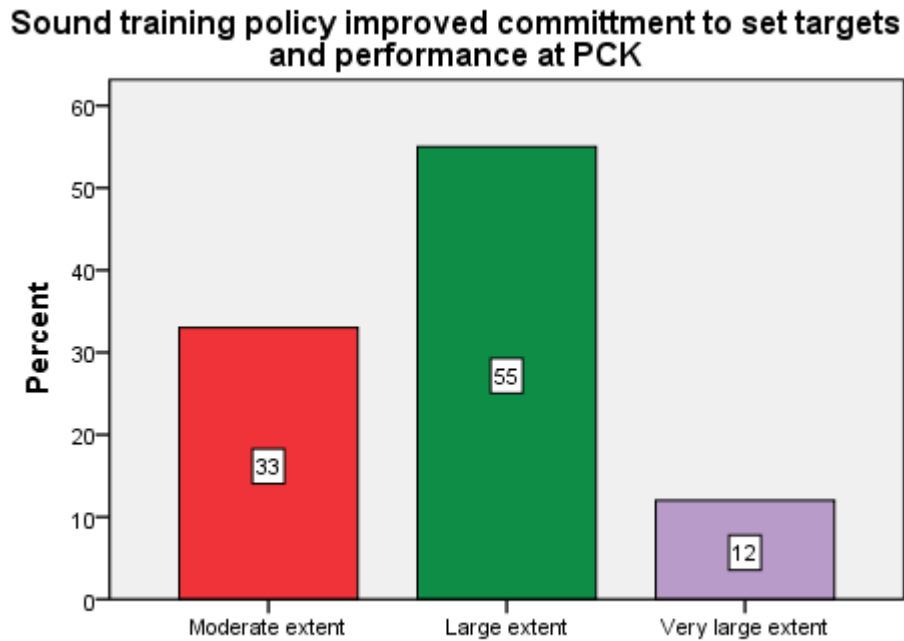


Source: Research data, (2013).

#### **4.8 Did the establishment of a sound Training policy promote performance at PCK?**

When asked their opinions on whether the existence of a sound training policy impacted on the attainment of performance targets at PCK for the period of the study, 33% had a moderate feeling on the phenomenon, 35% were for the opinion to a large extent while 12% supported it to a very large extent. This cumulatively accounted for 100% of the respondents having a positive opinion on the idea therefore, confirmed that the presence of a sound training policy at PCK was vital for excellent performance. The results of the same were exhibited on the bar graph on figure 5.3 under leaf.

**Figure 4.10: Sound training policy improved commitment to set targets and performance at PCK**

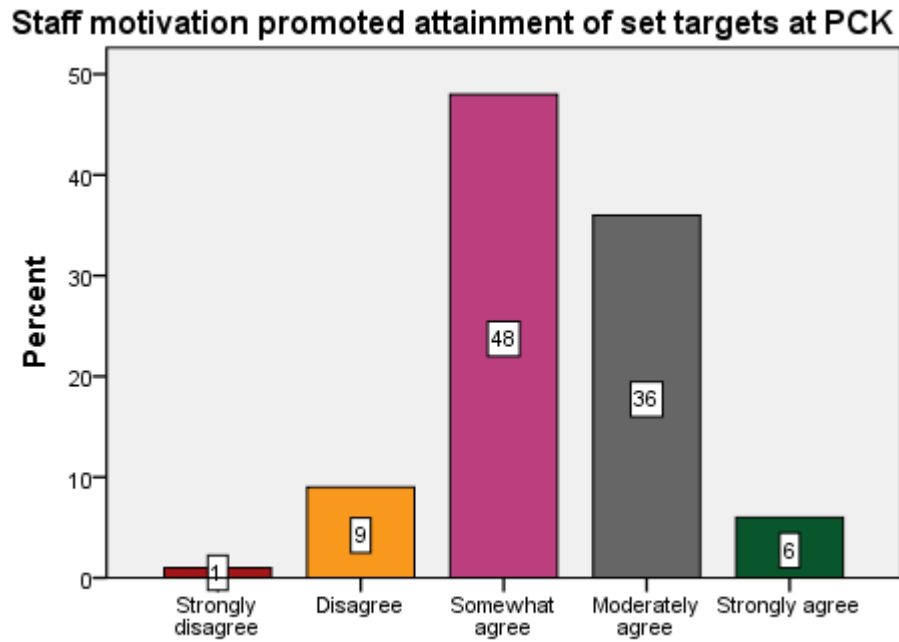


Source: Research data, (2013).

#### **4.9 Did staff motivation promote attainment of set targets at PCK?**

The researcher wanted to know whether staff motivation affected the attainment of performance targets at PCK and asked respondents to give their opinions on the same. This was necessary since the phenomenon was an independent variable whose effects on the dependent variable had to be effectively explored by the study. According to the results obtained, 48% of the respondents somewhat agreed while 36% moderately agreed followed by 6% who had a very strong opinion for the phenomena. Cumulatively this represented an overwhelming 90% of the respondents supporting the opinion hence its relevance in the study. The results were shown on figure 4.12 below (under leaf).

**Figure 4.11: Staff motivation promoted attainment of set targets at PCK**



Source: Research data, (2013).

#### **4.10 Effects of employees positive perception to the attainment of PCK set targets**

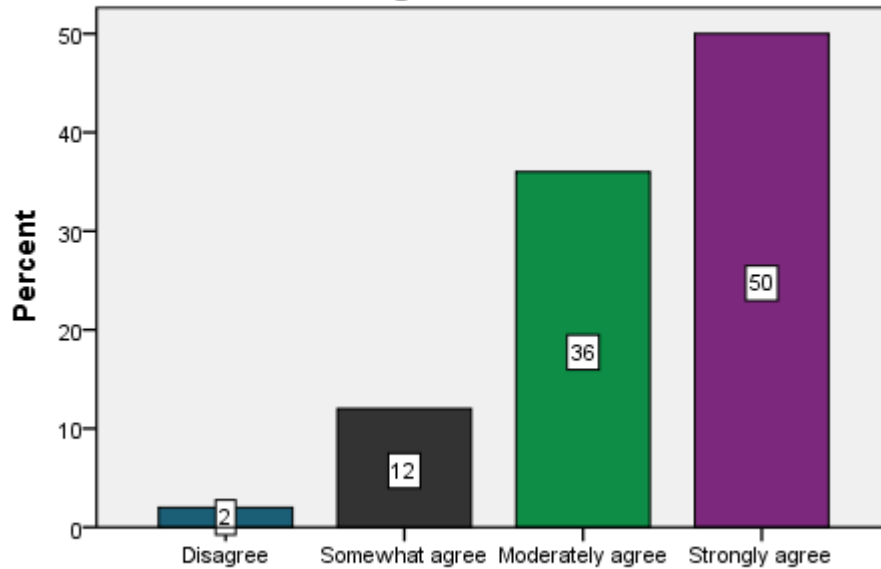
When the researcher asked the management level staff what their opinions were concerning value perception on major issues they thought were very important to them about their employer, the following results were obtained: 50% of the respondents were for the opinion as they strongly agreed while 36% moderately agreed representing a cumulative total of 86% of the respondents supporting the opinion. This confirmed from the respondents perspective the importance of positioning staff members perceptions to reflect value on their employer whose results supported the attainment of the set targets at PCK. The results are shown on figure 4.13 under leaf.

**Table 4.5: Positive perception amongst employees promoted attainment of targets at PCK**

	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	2	2.0	2.0	2.0
Somewhat agree	12	11.9	12.0	14.0
Moderately agree	36	35.6	36.0	50.0
Strongly agree	50	49.5	50.0	100.0
Total	100	99.0	100.0	
Missing System	1	1.0		
Total	101	100.0		

**Figure 4.12: Positive perception amongst employees promoted attainment of targets at PCK**

**Value perception amongst employees promoted attainment of targets at PCK**

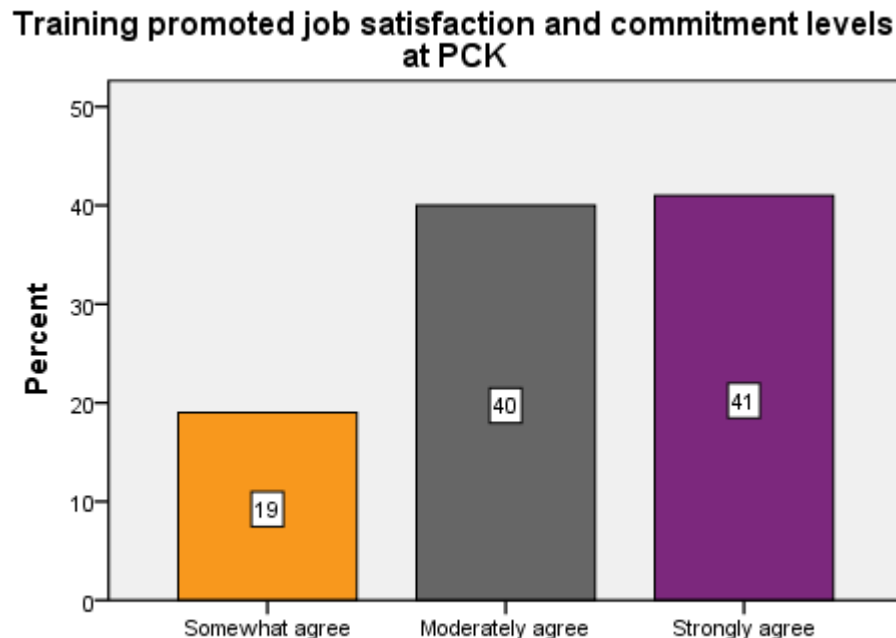


Source: Research data, (2013).

#### 4.11 Did job satisfaction promote performance at PCK?

In order to confirm generalizations of past studies on job satisfaction which the researcher hinged her study upon, the researcher asked respondents to give their opinions on the same as to whether the later promoted attainment of set targets or not. From the results obtained, 40% of the respondents were for the opinion at a moderately agreed while 41% strongly agreed. Cumulatively 81% confirmed the assertions of past literature on job satisfaction mentioned on the literature review of the study. This therefore proved that the researcher was astute and relevant in literature review that was used to support the study hence relevance of the study findings. The results are shown on the bar graph on figure 4.14 below:

**Figure 4.13: Training promoted job satisfaction and commitment levels at PCK**



Source: Research data, (2013).

The researcher employed the use of descriptive statistics and analysis of variance (ANOVA) in the study where by standard deviation, means and variance were used to make generalizations for the study as can be seen on the descriptive statistics table below, generated by SPSS analysis tool. As can be seen on the ANOVA table below, the sum of the squares was 69.8%

depicting that the model used in the study had a best fit and hence the results were believed to be reliable as they were highly above average. Training as a predictor variable had a significance value of 0.16. This simply meant that based on a 0.05 margin of error; training was affecting attainment of performance targets on a higher magnitude. The same results are exhibited on the descriptive table below where training had a cumulative variance of 0.48 depicting that indeed the variable was affecting performance most than the other variables. The information is available on the tables shown below: Source: Research data, (2013).

**Table 4.6: Generalization Anova**

		Sum of Squares	df	Mean Square	F	Sig.
Period in Management	Between Groups	.698	3	.233	.347	.791
	Within Groups	64.302	96	.670		
	Total	65.000	99			
Approximate Number of Management staff	Between Groups	2.173	3	.724	.931	.429
	Within Groups	74.667	96	.778		
	Total	76.840	99			
Training & Recruitment policy	Between Groups	.153	3	.051	1.067	.367
	Within Groups	4.597	96	.048		
	Total	4.750	99			
How often PCK arrange for Staff Trainings	Between Groups	.734	3	.245	.615	.607
	Within Groups	38.226	96	.398		
	Total	38.960	99			
Recruitment enhanced competitiveness at PCK	Between Groups	1.168	3	.389	.886	.451
	Within Groups	42.192	96	.440		
	Total	43.360	99			
New ideas by new staff promoted performance at PCK	Between Groups	2.158	3	.719	1.220	.307
	Within Groups	56.592	96	.590		
	Total	58.750	99			
Staff motivation promoted attainment of set targets at PCK	Between Groups	.173	3	.058	.094	.963
	Within Groups	59.137	96	.616		
	Total	59.310	99			
Remuneration levels at PCK promoted commitment to achieve set targets	Between Groups	2.738	3	.913	1.248	.297
	Within Groups	70.222	96	.731		
	Total	72.960	99			
Training promoted job satisfaction and commitment levels at PCK	Between Groups	5.604	3	1.868	3.619	.016
	Within Groups	49.556	96	.516		
	Total	55.160	99			
Sound training policy improved commitment to set targets and performance at PCK	Between Groups	.653	3	.218	.523	.667
	Within Groups	39.937	96	.416		
	Total	40.590	99			

**Table 4.7: Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Age of respondent	100	2	4	3.15	.687	.472
Period in Management	100	2.0	5.0	4.300	.8103	.657
Level of Education	100	2	4	2.74	.463	.215
Approximate Number of Management staff	100	1	5	4.54	.881	.776
Gender	100	1	2	1.56	.499	.249
Training & Recruitment policy	100	1	2	1.95	.219	.048
How often PCK arrange for Staff Trainings	100	3	5	4.52	.627	.394
Relationship between recruitment and performance	0					
Individual Opinions on major issues at PCK	0					
Rating of overall performance at PCK by respondents	100	2	5	3.63	.661	.437
Recruitment enhanced competitiveness at PCK	100	2	5	3.08	.662	.438
New ideas by new staff promoted performance at PCK	100	1	4	2.25	.770	.593
Strategic recruitment promoted specialization&stakeholder confidence	100	2	5	3.43	.700	.490
Implementation of hrm Policies enhanced revenue growth at PCK	100	2	5	3.49	.732	.535
Sound training policy improved commitment to set targets and performance at PCK	100	3	5	3.79	.640	.410
Staff motivation promoted attainment of set targets at PCK	100	1	5	3.37	.774	.599
Remuneration levels at PCK promoted commitment to achieve set targets	100	1	4	2.52	.858	.737
Training promoted job satisfaction and commitment levels at PCK	100	3	5	4.22	.746	.557
Positive perception amongst employees promoted attainment of targets at PCK	100	2	5	4.34	.768	.590
Valid N (listwise)	0					

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the summary of findings conclusions and recommendations based on the findings from data analysis. The researcher analyzed the data obtained from respondents and explained the outcomes of the study in earnest. The findings depicted closer relationships between the predictor and dependent variable under which the study was hinged upon. Below is the summary, conclusions and possible recommendations of the study.

#### **5.2 Summary**

The overall objective of this study was to examine employees perceptions regarding the attainment of performance targets at Postal Corporation of Kenya for the strategic plan period of 2007-2013. The specific objectives of this study included: To determine management level employee's perceptions on staff training and motivation with regard to attainment of performance targets at the Postal Corporation of Kenya, and also to establish the effects of employee positive perceptions on attainment of performance targets at Postal Corporation of Kenya.

The study findings indicate that the 2007-2012 years was a time period within which performance management was getting entrenched into the PCK management system. The study findings point out tremendous improvements especially in the profitability and quality performance at PCK as a result of strategic implementation of the desired human resource development aspects on training, staff motivation and employee perceptions.

Employee training influenced profitability and total quality management targets in various ways. Results occasioned by training show that the quality factors that improved tremendously were; Morale of staff increased and had an average score of 4.6233.as compared with a mean of 3.345 for the previous 5 years. Customer complaints also reduced drastically from a mean of 6.654 for the years prior to the study period to a mean of 4.6726.Reduced customer complaints was found to increase customer satisfaction. This had the overall effect of increasing sales and profits as reflected in the financial reports of the firm.



Sixty percent of the respondents also concurred that PCK continuously trained its staff especially during the study period. This was in line with the requirements of performance contracting which had started taking shape from 2007-2012. This improved employee Job skills to an average of 4.5651 for the period. An increase in skills and competence partly contributed to efficiency, improved productivity and overall profitability of PCK.

As a result of training, Job satisfaction also improved with a higher mean score as compared to the previous years. Production was also found to have improved tremendously during the study period as compared to the years prior to the study period as can be seen on the ANOVA correlation table. The research findings also found out that strategic implementation of HRM policies improved going by the comparative study done by the researcher. Factors that were least improved included influence by new employees on attainment of performance targets. All the human resource development strategies hinged upon employee value perceptions were geared towards improved organizational performance in the areas of financial and non financial performance indicators. All this were exhibited in PCK's, end of year financial and non financial reports for the period under study.

The findings from company manuals and financial reports show an overall continuous exponential growth in net revenues for PCK compared to previous years before the implementation of performance contracting and adoption of training and staff benefits as a stimulus for achieving performance targets. For instance 2007/2008 the profits after tax were reported to be K.shs 2.09 billion while for the financial 2008/2009 the profits rose to K.shs 3.24 billion whilst for the 1 financial year 2009/2010 it was reported as K.shs 3.64 billion. PCKs after tax profits for the financial year ending June 2011 was K.sh 3.84 billions. This comparative survey of the secondary data depicted incremental growth attributed to value perception of the organizations' employees concerning the set performance targets. The researcher was therefore confident that the study thoroughly interrogated the factors explored by the study in order to ascertain what led to the attainment of the said desired performance at PCK for the period under review.

Staff recruitment/entry level on performance at Postal Corporation of Kenya was rated by majority as very high at as can be seen on the descriptive table at the end of chapter four. Staff experience at work and above average qualifications of the management level employees also contributed to the attainment of the said PCK targets. This was according to the results depicted by the analyzed data in the previous chapter. The organization evaluates and monitors recruitment practices in line with the organizational performance. Increased performance was attributed to more rational recruitment/staff entry levels at PCK. The findings indicate that efficiency and competency levels reviewed very frequently improved due to effective recruitment.

### **5.3 Conclusion**

There is a positive relationship between employee positive perceptions and attainment of set performance targets at PCK for the period covered by the study. The findings show that the implementation of desired human resource development aspects explored by the study were directly and significantly related to the perceived attainment of profitability and quality management targets. A greater use of training and motivation and staff recruitment/entry levels is associated with better current performance targets at PCK. The results are consistent, and they affirm that since a human resource system is complex and dynamic, it is likely to be an important source of sustained competitive advantage for entrepreneurial organizations. The findings are in agreement with the conceptual framework that clearly demonstrates how the predictor variables inter relate with the independent variable.

The study will form a reference source for future researchers interested in knowing into details how employee perceptions influence organizational performance. The study also recommends further research on the relationship of employee perceptions and remuneration levels impact on overall organizational performance.

The researcher is therefore optimistic that Employee motivation and training are two fundamental interrelated means by which organizations can acquire and develop human capital, which represents the aggregate knowledge, skills, abilities, and other characteristics. Job related selection procedures can influence retention indirectly through their impact on employee attitudes. For instance, retention can be increased by use of best selection practices, because

employees are more likely to succeed on the job and to feel a sense of personal validation for being selected.

Organizational performance depends heavily on HRM aspects and how employees perceive them thus, the emphasis of the strategic development and timely implementations of HRM policies and business strategies should be directed towards improvement of the said HRM aspects. Staff Participation, involvement, compensation, incentives, communication, promotion, training and development, performance appraisal, work design, and selection may constitute in a descending order the important aspects of the HRM strategies. Satisfaction, motivation, competence, cooperation amongst the management and employees, employee commitment levels, retention, constitutes the important aspects of the desired organizational outcomes.

#### **5.4 Study Recommendations**

Training can be improved by analyzing the organization's strengths and weaknesses in training in the light of the needs assessment, surveys and identification of the most needy areas of training. It can also be done by improving the organization's information systems, Market research and competitive bench marking against the best competitors of the organization. Provision of a central reference knowledge base and developing customized training courses and materials are also useful aspects in enhancing performance. Where necessary entering into strategic collaborations with strategic partners or institutions to design or conduct training programs should be done.

The study strongly supports continued adoption of strategic HRM functions aimed at achieving excellence in performance leaps as in the PCK case surveyed by the study. Also of much importance includes timely implementation of set policies especially those touching on HRM aspects to promote employees motivation and commitment levels. Absence of inequality at the work place should be encouraged to promote staff commitment levels to set performance indicators. The study concluded by affirming or complying with the research hypothesis that indeed employee perceptions positively affected the attainment of PCKs set performance targets of the strategic plan of 2007-2012. According to the researcher this was due to the astute and statistical rigor that the proponent engaged in the study.

### **5.5 Area for Further Research**

The study recommended further studies on the relationship between employee perceptions on remuneration levels and overall organizational performance. This was due to the recurring fact generated by the study on content analytic question at the end of the questionnaire. The researcher also proposed extensive studies on employee perception which explores relationships with other factors not mentioned in this study by future researchers in order to generate a pool of knowledge for in depth understanding of the phenomena.

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## APPENDIX I: STUDY QUESTIONNAIRE

### PERCEPTIONS OF POSTAL CORPORATION OF KENYA MANAGEMENT LEVEL EMPLOYEES ON THE PERFORMANCE TARGETS OF 2007 - 2012 STRATEGIC PLAN.

My name is Milka Mugwe. I am a student at the University of Nairobi. I am conducting a research on the above named topic for the award of a Masters degree in Public Administration. I need your assistance by appropriately filling in this questionnaire. The role of this questionnaire is to help in gathering important information regarding the above named topic of study and the **Instructions on how to fill in the questionnaire:**

Information collected shall remain confidential and SHALL NOT be used for any other purpose contrary to compiling data for this study.

The questionnaire has two sections.

1. Section one contains mainly demographic questions of the respondents used in the study.
2. Section two explores respondents' perceptions on the major issues covered by the study i.e. the predictor and dependent variables.

Kindly tick the most appropriate answer in the spaces provided below.

## SECTION ONE

1. What is your gender? a) Male b) Female
2. What is your age bracket in years?
  - a. 20 to 30 years
  - b. 31 to 40 years
  - c. 41 to 50 years
  - d. 51 to 60 years
3. How long have you been in PCK management?
  - a. 0 to 1 year
  - b. 1.1 to 2 years
  - c. 2.1 to 3 years
  - d. 3.1 to 4 years
  - e. 5 years and above
4. What is your level of education?
  - a. Ordinary level {1}
  - b. College Diploma {2}
  - c. Undergraduate degree {3}
  - d. Post graduate degree {4}
  - e. Others (Specify).....
5. What is the overall approximate number of management staff in the organization that you work for?
  - a. Not sure
  - a. 1 to 100
  - b. 101 to 200
  - c. 201 to 300
  - d. 301 to 400
6. Would you say that your employer has training for new and existing staff?
  - a) Yes b). No

7. If the answer above is yes, how often does your employer arrange for staff trainings?
- Not at all
  - Once a year
  - Twice a year
  - Every 4 months
  - Whenever new staff(s) are recruited

**SECTION TWO**

8. What is your opinion on the relationship between staff recruitment and overall performance regarding set targets at PCK?

*Kindly tick the most appropriate answer given the scale below:*

- No extent
- Less extent
- Moderate extent
- Large extent
- Very large extent

<b>Description of the Opinion</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Staff recruitment has greatly helped in enhancing competitiveness at PCK					
New staff usually bring in new ideas which have enhanced change and incremental performance at PCK					
Strategic Recruitment has promoted specialization and efficiency thus stakeholder confidence & satisfaction at PCK					
Effective implementation of the HRM policies has enhanced revenue growth at PCK					
Establishment of Sound training policy has greatly improved staff commitment to the set targets and performance at PCK					

9. What is your opinion on the following issues at your place of work?

*Using the scale given below kindly tick the most appropriate answer in the boxes provided below.*

- a) 5- Strongly agree
- b) 4- Moderately agree
- c) 3- Somewhat agree
- d) 2- Disagree
- e) 1- Strongly disagree

<b>Description of the opinion</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Staff motivation has helped in promoting the attainment of set targets at PCK					
Remuneration levels at PCK has enhanced staff commitment to achieving the set targets					
Training has achieved positive results amongst the work force regarding job satisfaction and commitment levels at PCK					
Most staff members perceives their employer to having influenced them positively in terms of personal growth attributed by internal promotions and accompanying staff benefits so they extremely commit to achieving set targets					

10. How would you rate overall organizational performance at PCK going by what you have observed during your tenure at the management level cadre staff?

- a. 1- Below average
- b. 2- Moderate
- c. 3- Satisfactory
- d. 4- Very good
- e. 5- Excellent

11. Please write on the spaces provided below any other recommendation not mentioned in the questionnaire that can help PCK improve its overall performance exponentially to greater heights?

.....  
.....  
This is the end of the questionnaire. The results of this study will be out soon. In case of any concern, please contact me on the mobile number +254 722 308 510.

**Thank You**