

DETERMINANTS OF EMPLOYEE PERFORMANCE IN DONOR FUNDED
PROGRAMS: A CASE OF UNIVERSITY OF NAIROBI, COLLEGE OF
HEALTH SCIENCES DONOR FUNDED PROGRAMS

BY

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award of the Degree of Master of Arts in Project Planning and Management of the
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DECLARATION

This research project report is my original work and it has not been presented for the award of a degree in any other university.

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L50/82743/2012

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Date

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

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PROF. STEPHEN AKARANGA

.....

Date

DEDICATION

I dedicate this study to my parents Mr. and Mrs. James Njuki Nyaga who instilled in me a culture of reading, learning and being the best that I can be. Thank you.

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ABBREVIATIONS AND ACRONYMS

ABC	Afya Bora Consortium
ACCAF	Africa Coordinating Centre for the Abandonment of FGM/C
AIDS	Acquired Immuno-Deficiency Syndrome
BRECC	Breast Cancer and Care
CAE	College of Architecture and Engineering
CAVS	College of Agriculture and Veterinary Sciences
CBPS	College of Biological and Physical Sciences
CEES	College of Education and External Studies
CEO	Chief Executive Officer
CHS	College of Health Sciences
CHSS	College of Humanities and Social Studies
CHIVPR	Centre for HIV Prevention and Research
EPM	Employee Performance Management
FGM/C	Female Genital Mutilation / Cutting
HAPI	HIV-AIDS and Pregnancy Intention Study
HIV	Human Immuno-Deficiency Virus
ICAP	International Centre for AIDS Care and Treatment Program
IDRE	Institute for Digital Research and Education
IEARDA	International Extramural Associates Research Development Award
KAVI	Kenya AIDS Vaccine Initiative
KMO	Kaiser-Meyer-Olkin
MARPS	Most at Risk Populations Study
MNCH	Maternal Newborn Child Health
MDG	Millennium Development Goal
MVS	Measles Vaccine Study
OPH	Optimizing Paediatrics HIV Therapy

PACE	Partnership in AIDS Care and Education
PACT	Partnership in AIDS Care and Treatment
PAM-D	Partnerships for Mental Health Development in Sub-Saharan Africa
PRIME-K	Partnership for Innovative Medical Education in Kenya
SPSS	Statistical Packages Social for Sciences
UON	University of Nairobi

ABSTRACT

Every organization will always strive to have the right personnel at the workplace capable of effectively and efficiently completing the work required by the organization so as to achieve its objectives. This study sought to establish the determinants of employee performance in donor-funded programs at the College of Health Sciences (CHS), University of Nairobi (UoN) based on factors that influence employee performance. The objectives of this research were; to assess the influence of pay system to employee performance in donor-funded programs at the CHS, UoN; to establish the influence of leadership on employee performance in donor-funded programs at the CHS, UoN; to assess the influence of non-monetary incentives on employee performance in donor-funded programs at the CHS, UoN; to identify the influence of organization culture on employee performance in donor-funded programs at the CHS, UoN and to examine the influence of work-life conflicts on the performance of employees in donor funded programs at the CHS, UoN. The study employed a descriptive cross-sectional research design using a structured questionnaire as the data collection instrument. A census was done for employees working in ten (10) donor-funded programs at the College of Health Sciences which led to a total of fifty-one (51) employees. Data analysis was done using the Statistical Packages for Social Sciences (SPSS) software. The study established that the pay system, leadership, non-monetary incentives, organizational culture and work-life conflicts influenced employee performance for workers in donor-funded programs at the College of Health Sciences, University of Nairobi and recommended: introduction of more fringe benefits that would boost employee performance, communication on the programs' objectives to employees to enhance their performance, involvement of employees in decision making, setting goals and giving feedback, use of targets to encourage to productivity and give formal supports to employees such as family-oriented policies job sharing and sick child care will help the employees deal with work-life conflicts.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

To tackle the global Millennium Development Goals (MDGs) or working collaboratively on Poverty Reduction Strategies at the country level, donor agencies will improve their effectiveness to achieve concrete development outcomes and eliminate poverty (Acharya et al, (2003). The effectiveness of a donor-funded project remains a top priority for the international development community hence; the extent of success of donor funded programs is determined by both technical and managerial capacity of the human resources (employees) of the implementing agencies. This is why, workers in donor-funded programs according to Arndt (2000) may lack the formal training in foreign aid management, budgeting and accounting. These weak skills may lead to poor understanding of the donor expenditure protocols resulting in ineligible expenditures, which may lead to rejection for further funding by the donor.

A research conducted by Mwanza (2012) on the assessment factors influencing employee performance in the public universities: A case of the academic division in the University of Nairobi at main campus supported the research carried out by Robbins & Judge (2013). The common assumption is that, employees are more productive when they are satisfied with their jobs and less productive when they are dissatisfied. Another study conducted by Ndung'u (2009) stated that leading organizations in Kenya have in the past ignored employee needs thus presenting a significant risk of explaining why there has been a growing interest in the area of employee performance. Most employers have since been keen to understand and manage the performance of employees in their organizations.

As part of its mission and vision, the University of Nairobi, has installed suggestion boxes in strategic places within the premises to examine some of the key issues affecting employees such as motivation and turnover and how to minimize or even resolve them. This in essence could reduce the costs incurred through training of new employees and thereby curb low production. In an attempt to address these issues, the

University's management has taken significant steps towards ensuring an employee's comfort at the workplace by providing incentives, benefits and rewards to employees. These are evident in form of bonuses, promotions, medical cover, and gratuity, among others.

In essence, the University of Nairobi is structured into six constituent colleges which are organized according to the broad academic and technical areas as follows; College of Architecture and Engineering (CAE); College of Agriculture and Veterinary Sciences (CAVS); College of Biological and Physical Sciences (CBPS); College of Education and External Studies (CEES); College of Humanities and Social Studies (CHSS) and the College of Health Sciences (CHS).

The focus of this study was the **College of Health Sciences** which was established in 1968, and served for more than two decades as the only medical school in Kenya. This college is mandated not only to provide quality medical education and training through creation, preservation, integration, transmission but also to utilize health knowledge. The employees in these donor-funded programs are recruited on contract terms depending on the project period. And, their terms of engagement vary from those of non-project employees. Donor funded programs seek to achieve their objectives through partnership with like-minded organizations that work towards improving health outcomes in Kenya by education, training and research. These programs provide initiatives for sustainable solutions to medical education and health challenges in Kenya. But, the performance of a donor-funded project depends on the performance of employees. The College of Health Sciences, at University of Nairobi recognizes that project employees are the strongest link in ensuring that project objectives and activities are met within the stipulated time. These strategic directions are aimed at contributing towards Kenya's vision 2030 and MDG's 4, 5 and 6. And, with this level of engagement of employees in programs at CHS, there is need to establish the determinants of employee performance in donor-funded programs at this college that have been in operation between the years 2009 to 2014.

1.2 Statement of the Problem

The College of Health Sciences (CHS) is a host to a number of programs either funded locally or internationally. These programs have deliverables and outputs that are time bound. The achievement of the targets entirely depends on employees of

these programs. However, it has been reported that a number of programs complete their funding period without achieving the donor/funding targets and this has been attributed to low employee performance. As a consequence, large amounts of funding is lost and there is loss of jobs especially when a project is prematurely closed out on non-performance grounds. Therefore, is an urgent need of carrying out a study to investigate the determinants of employee performance in donor funded programs at CHS. The researcher investigated determinants of employee performance for donor-funded programs at the College of Health Sciences with the aim of proposing the same to the management for creation of new policies that could favour those employees.

1.3 Purpose of the Study

The purpose of this study was to establish the determinants of employee performance in the donor funded programs at the College of Health Sciences, University of Nairobi for the period between 2009 -2014 based on factors that influence employee performance.

1.4 Research Objectives

The following objectives were set out for the study:

1. To assess the influence of pay system to employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi
2. To establish the influence of leadership on employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi
3. To assess the influence of non-monetary incentives on employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi
4. To identify the influence of organization culture on employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi
5. To examine the influence of work-life conflicts on the performance of employees in donor funded programs at the College of Health Sciences, University of Nairobi

1.5 Research Questions

The supporting questions of this study were:

1. How does pay system influence employee performance in donor funded programs at the College of Health Sciences, University of Nairobi
2. How does leadership in donor-funded programs influence on employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi
3. How does non-monetary incentives influence employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi
4. How does organization culture influence employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi
5. How does work-life conflicts influence employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi

1.6 Research Hypotheses

In this study, it was assumed that;

Ho: There is no relationship between Pay System and employee performance in donor funded programs at the College of Health Sciences, University of Nairobi

Ho: There is no relationship between leadership in donor-funded programs and employee performance at the College of Health Sciences, University of Nairobi

Ho: There is no relationship between non-monetary incentives and employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi

Ho: There is no relationship between organization culture and employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi

Ho: There is no relationship between work-life conflicts and employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi

1.7 Significance of the Study

The researcher hopes that through this study the university management will get an insight on factors that influence the performance for employees working in donor-funded programs at the College of Health Sciences for the period 2009 to 2014 and formulate ways to enhance their performance.

1.8 Basic assumptions of the Study

Some of the assumptions of the study were; the sample size represents the population of employees working in donor-funded programs at College of Health Sciences,

University of Nairobi, and that the respondents will answer questions correctly and truthfully to give a clear picture of the determinants of employee performance in donor funded programs at College of Health Sciences, at the University of Nairobi.

1.9 Limitations of the Study

Due to the nature of the University of Nairobi; national presence with branches in various regions, the researcher anticipated a problem in reaching out to some of the respondents in diverse locations. In order to overcome this impediment, e-mail addresses of respondents were used and followed up by telephone calls which encouraged them to participate in the study. They were requested to fill-in the questionnaire in a website link.

The concern on some respondents not giving honest opinions due to suspicion was overcome by briefing the respondents on the intent of the study and assurance on confidentiality to facilitate honest responses to questions.

1.10 Delimitation of the Study

The study focused on a total of fifty-one (51) employees working on full-time basis in ten (10) donor-funded programs at College of Health Sciences, University of Nairobi.

1.11 Definitions of Significant Terms

For the purpose of this study, the researcher used the defined terms as follows:

Donor funded programs – small organizations implemented through grant awards

Dependent variable – employee performance

Independent variable – factors influencing employee performance which are; pay systems, leadership, non-monetary incentives, organization culture and work-life conflicts

Pay system – the monetary rewards and compensation awarded to employees for meeting their objectives/goals/tasks

Leadership – the management of the employees in the various donor-funded programs

Non-monetary incentives – the non-financial rewards for employees by their employers

Organization Culture – the core values, work-ethics and regulations in the organizations

Work-life conflicts – the circumstances and situations outside the work environment that affect the employee at their place of work

1.12 Organization of the Study

This research report is organized into five (5) chapters. Chapter one is the introduction and includes; background of the study on determinants of employee of which are based on factors that influence employee performance at the work, the statement of the problem, purpose and objectives of the study, research questions and hypotheses, significance, delimitations, limitations of the study, basic assumptions and the definition of significant terms used in study. Chapter two reviews literature on the concept of employee performance. The researcher explains the relation of the factors affecting performance and their influence on employees. The theoretical framework and conceptual framework is outlined in this section. The third chapter outlines the research design used in this study which is; cross-section descriptive study, the target population is a total of fifty-one (51) employees working with a census of ten (10) programs at the College of Health Sciences. The researcher used a questionnaire to collect data which was pilot tested by the researcher's supervisor and five (5) staff members. Data was then analyzed using the Statistical Packages Social for Sciences (SPSS). Ethical considerations related the study and operational definition of variables will be outlined. The fourth chapter presents and evaluates the results of the study against actual data collected during the research and the fifth chapter gives a summary of the findings and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter explores past studies and literature relating to employee performance in donor-funded programs and factors that influence employee performance in order to understand the determinants. The researcher reviewed literature and research studies to understand theories and variables which underlie the study.

2.2 The Concept of Employee Performance in donor funded programs

The success of any organization in achieving its objectives relies on the motivation level of employees. This is a key factor that exerts a driving force on the actions and work attitude of employees. Previous studies showcase that it is evident there is no single factor that effectively influences the performance of an employee at work to an extent for it to be considered the key to performance enhancement. In considering factors that influence motivation and the behaviours based on such factors, Atkinson and Birch as quoted by Beck (2003) mention that no single behaviour is taken in isolation from other behaviours hence factors influencing employee performance do so in combinations, often changing between different levels of influence.

Factors that influence employee work performance have been researched widely in an attempt to find solutions that could provide employers with ways of ensuring that the employees in their organization are performing at optimum level. In so doing, employees are expected to excel in their work performance. This results in outperformance of their competitors and production of maximum profits.

There is need to understand factors that influence employee performance because it is the key to improving workplace productivity and employee morale. A study by Van Dyk and Herholdt (2004) stated that, innovative remuneration structures, access to leading employee benefits and a comfortable work environment contributed to employee's personal wellbeing. Other factors included; nurturing an employee's own diversity, and providing support to overcome the stress of work and daily life through coaching or mentoring. It is important that employees are engaged when considering

the factors that will influence their ability to perform at work and that the employee's state of mind depends on the total result of all factors as perceived by the person at that point in time. This total result of factors determines the employee's motivation to work.

Managing performance aims at continuously improving the performance of individuals and that of the organization ensuring that the performance of employees contributes to the goals of their teams and the business as a whole (Sokoro, 2012). Good performance management helps everyone in the organization to be aware of the goals that need to be achieved, the roles, skills and competencies required, the performance standards, how to develop the workers performance and contribution to the development of the organization, workers progress in their assignments and how to deal with performance problems. Studies on factors affecting and influencing employee performance, for instance, a research study by (Sokoro, 2012) and (Tinofirei, 2011) revolved around establishing a relationship between these factors and employee performance. Employee recruitment at the College of Health Sciences donor- funded programs for an open vacancy is conducted based on the immediate needs and circumstances within the organization. As the employee settles at the work place, the initial drive for the new job begins to wane resulting into the need for refresher training courses, expanded exposure to complementary roles and reassignment to a different role as remedy measures to revitalize the employee. Giancola (2007) has advised that approaches aimed at improving workforce effectiveness seem to appear every five to ten years or at the entry of a new donor-funded project within the institution. Such measures which include; systematic periods of mentoring, promotions, new roles and duties and upward of current pay appear to have a positive impact on the employee resulting into a boost of morale and enhanced positive attitude to work. A study by Ndung'u (2009) indicates that management of employees on matters concerning performance could result in complex and emotion – filled decisions. Hence, motivation of employee could ensure that employees remain focused on the organization's goals and objectives. This includes; decision-making, personal development, participation in formulating organization's goals and objectives and compensation, among other creative performance enhancing approaches. For the purpose of this study, the researcher examined factors identified by (Fagnani, 2014) that influence employee performance because they apply more to non-profit oriented organizations like the donor –funded

programs at College of Health Sciences, University of Nairobi. The factors mentioned in this study influence different people in diverse ways and at specific times. But, there exist common actions and reactions to these factors as discussed below.

2.3 Pay System and Employee Performance

Emphasis has traditionally been placed on pay as a reward for performance, but Curtis, Hefley and Miller (2002) confirm the importance of pay as a reward when they state that the pay system in organizations should be designed to motivate their employee's skills and behaviors that are considered important to its success. Kreitner (2004) concurs that pay deserves special attention when considering employee rewards since money is considered the universal extrinsic reward. Studies also indicate that pay can be a strong tool for employers to further the organization's strategic goals because it is noted that pay has a substantial impact on employee attitudes and behaviours and, that employee compensation accounts for a significant portion of organizational cost. As far as the employees are concerned, pay affects their standard of living.

Various studies show that almost all organizations have a link between the rating of employee performance and their pay. The idea is that pay encourages employees to achieve their objectives and perform. This could be done in various ways like for instance: increase to basic pay and upward progress to a salary scale. Armstrong (2007) has categorized rewards into two groups; monetary and non-monetary rewards. He further explains that monetary rewards include base pay, merit pay, incentives, commission, bonus and healthy allowances, while the non-monetary rewards include recognition, decision making roles, promotion, flexible working hours and company uniforms. He indicates that employees are rewarded in accordance with their contribution, skill and competence and their market worth. Research has shown that money is the crucial incentive to work motivation because it is the vehicle by which employees can purchase the numerous need-satisfying things they desire (Robbins, S.P. and Sanghi, S., 2007). Armstrong (2007) has pointed out that rewards can act as a goal that employees strive for, and an instrument which provides valued outcomes. Money is perceived as an economic symbol which indicates the recipient's value to the organization and acts as a reinforcer because it is associated with valued feedback (Langton and Robbins 2007). The structures for pay varies in every organization and for this reason, the employer should aim at creating

an innovative, mutually beneficial pay system that is attractive and competitive to the organization's talented employees. Considered additional benefits of pay to an organization include: greater impact, enhanced employee-employer relationship, increased engagement and flexibility to meet individual needs (Armstrong and Murlis, 2007). Bartol and Durham (2002) considered pay to be a key aspect of the employer's side of the bargain in the exchange for employees' effort. They believed that employers will attempt formulate their pay systems in a way that will optimize the enhancement of employee performance in order to achieve increased levels of production and customer satisfactions.

2.4 Leadership and Employee Performance

Various studies show that the main drivers of organizations are humans; which explains why most organizations have been established to address social needs and group activities because they give life to the organizations and provide goals. Human development and efforts therefore lead to the attainment of the objectives and this cannot be achieved without proper management. The development and changes made by individuals and groups in history has always been associated with the presence of a leader. Leadership according to (Levine & Crom, 1993) is one of the pillars of human societies since it has a bearing on inhibiting or encouraging employee's performance. This is why leaders should take necessary measures to establish human relationships in order to provide optimal use of human resources in their organization. Levine and Crom (1993) have stated that leadership involves supporting and encouraging people, listening to them and involving them in the decision-making and problem-solving process. It also involves building teams and developing their ability to make wise decisions. Cole (2005) has defined a leader as a person who takes central roles in interactions and influences the behaviour of other members of the group. He further explain that they are individuals who have authority over others, are responsible for guiding their actions and engage people in the traditional management practices, such as planning, organizing, decision-making, and controlling. Their performance is mostly measured by the ability to achieve set goals and objectives of the organization. Since leadership has been considered a key factor for improving the performance of the organization, studies reflect that the success and failure of an organization depends on the effectiveness of leadership at all levels. A poll conducted in New York in April 2010 by Maritz Research established that 58 percent of respondents who had

strong trust in their management were completely satisfied with their job and led to better performance (Fagnani, 2014). In contrast, leaders who act in a degrading or discriminatory manner are likely to influence the performance of their workers negatively.

2.5 Non-monetary Incentives and Employee Performance

Pay is not the only way to reward good performance according to a research done by (Alam, R. Shujaat, S. and Cheema, F., 2013) because organizations can use increased development opportunities and special recognition awards. This means that those employees who perform well and develop their skills are more likely to be promoted. Hence, incentive programs are the most common techniques that are being adopted among many organizations.

Non-financial rewards create perceptions of the overall fairness of a rewards program which leads to employee motivation towards their work. Armstrong and Baron (2009) mentioned that non-financial incentive can be provided by performance management through the process of recognition, by providing opportunities to succeed, as well as enhancing job engagement and commitment. This can be done by referencing the employee's achievements and behaviours. Non-monetary incentives come in sundry arrangements such as gifts, rewards and travel. Some are tangible since they are observable and can be compared to financial benefits. Less tangible incentives relay to recognizing the employee's work and personal growth opportunity (Wignaraja and Balassanian, 2006). Studies reveal that receiving recognition for a job well done can boost an employee's self-esteem and satisfaction at work even in the absence of monetary rewards. Knowing that extraordinary performance will result in a title promotion, praise from colleagues or recognition can keep motivation and performance levels high. Armstrong (2012) advises that creating incentives is considered helpful in motivating employees to go beyond the set goals. Hence, incentives are intended to encourage people before the event to work harder and achieve more and are supposed to provide direct motivation.

Murray (2008) remarks that the relationship between incentives and employee behaviour are complex and multifaceted hence there is no one easy way to construct an incentive structure that will deliver high quality services. The study recommended that organizations using effective reward programs achieved their organizational objectives and also influenced employee behaviour.

A good incentive system encourages employees to be productive and creative hence fostering loyalty among the employees who are productive and stimulating innovation. Organizations are therefore required to continually seek ways to keep their employees engaged in their work through the use of incentives.

2.6 Organization Culture and Employee Performance

Morgan (2007) refers to organizational culture as the shared meaning, shared understanding and shared sense-making. Organizational culture has a deep impact on the variety of the organizational process, employees and their performance (Rehman, 2012). The four functions of the organizational culture according to Nelson & Quick (2011), include: giving members a sense of identity, increasing employee commitment, reinforcing organizational values and serving as a control mechanism for shaping behaviour. The culture of an organization has the potential to enhance performance, job satisfaction, and increases the sense of certainty about problem solving (Kotter, 2012). Bulach et al (2012) conducted a study on the effects of organizational culture on employee behaviour and performance was summarized to four key ideas. The first idea was that, knowing the culture of an organization allows employees to understand the organization's history and methods of operation. This understanding provides guidance about expected future behaviours. The second was that the culture of an organization can foster commitment to the organization's values and philosophy. This commitment generates shared feelings of working toward common achievements. Third, through its norms, the organization culture serves as a control mechanism to channel behaviours toward preferred behaviours and away from undesired behaviours. This is accomplished by recruiting, selecting, and retaining employees whose beliefs fit the values of the organization. Finally, certain types of organizational cultures may be directly associated to greater effectiveness and productivity than others. An organizational culture that involves employees in decision making, setting goals, giving feedback, providing workplace skills education and training and promotions from within, encourage enhanced performance (Awadh & Saad, 2013). This binds the workforce together and provides a direction for the company. The loyalty of employees relies upon knowledge and awareness of culture that improves behaviour of organization (Brooks, 2006).

According to Van dan Merwe (2008), various research studies on organizational culture and performance have revealed that organizations that know how to develop

their cultures in an effective way have the benefit of development in productivity and the quality of work life among the employees. Employees are encouraged to take in the organizational culture at the utmost strength and the top management should provide accurate instructions and directions to motivate the employees in achieving the company's goals and objectives.

2.7 Work-Life Conflicts and Employee Performance

Performance can be affected due to circumstances beyond the control of an employee. Issues relating to work-life conflicts and its impact on job performance have been considered as an important topic to deal with since individuals are faced with a number of problems which if left unresolved, their performance at work deteriorates. Therefore, if an individual feels that he/she cannot deal with the problems, then they to face hardships in life leading to waste of time and energy while thinking. Most workers are striving to achieve reputable positions and spend their life comfortably by increasing their standard of living. Employment is not just meant for earning a livelihood and personal prosperity, but also for the worker's family life, safety and privacy (Siddiqui, 2013). Christofferson (2007) in an interview with work/life balance experts stated that work / life balance is concerned with finding out how people can report to work without worry since an unhappy employee will deliver poor performance at work.

Beauregard et al (2009) observed in their study that a decrease in the work-life conflicts led to an increase in the overall productivity and performance of the organization. Naithani (2010) and Felstaed et al (2002) concur that work-life conflicts have a significant negative blow on the worker's health, psychological and physical needs, and job productivity.

Various studies on work-life conflicts exemplify that employees who experience problems in their personal life have a hard time concentrating at work hence causing a drop in performance. Some common issues include having a sick family member, abusing alcohol or drugs, and consistently not getting enough sleep (Fagnani, 2014).

Armstrong and Murlis (2007) strongly advice employers that people do not leave their lives behind when they come to work so there should be an emphasis on valuing people rather than mobilizing workers, assist employees to build on their strengths and promptly deal with issues such as discrimination and bullying. They also

observed that organizations come to realize that a supportive environment for workers is significant in helping them achieve their goals.

2.8 Theoretical Framework

The determinants of employee performance in donor-funded programs at CHS-UoN are best understood against the background of Goal setting theory of performance management.

Goal Setting Theory

The goal setting theory which was propagated by Edwin Locke in 1968, suggests that the individual goals established by an employee play an important role in motivating him/her for higher performance because studies have portrayed that employees follow their goals. If these goals are not achieved, employees will either improve on their performance or modify the goals to make them more realistic. Improved performance results in achievement of the performance management system (Salaman et al, 2005). Heslin et al (2012), states that the use of goal setting is a key ingredient for effectively encouraging employee performance. This resonates well with the primary adage of goal setting theory that specific difficult goals lead to higher performance compared to when workers simply strive to do their best (Latham and Locke,2006).

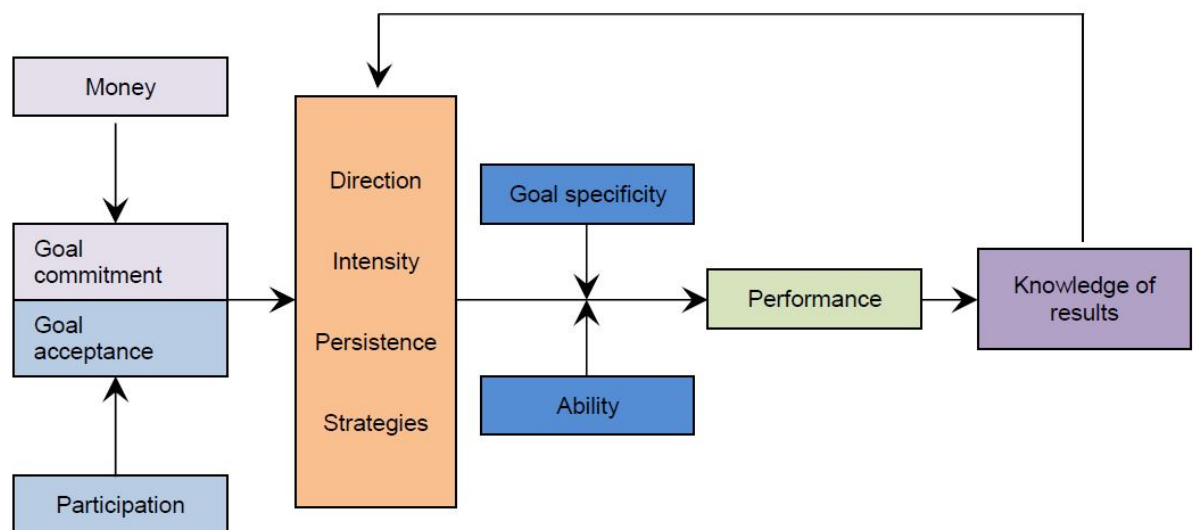
The donor funded programs at the College of Health Sciences – University of Nairobi seeks to achieve their objectives through partnership with like-minded organizations that work towards improving health outcomes in Kenya by education, training and research. Employees in these programs are recognized as the strongest link in ensuring that the program objectives and activities are met within the stipulated time. Challenging goals can enable people guide and improve their performance by providing direction and a standard against which progress can be monitored. Latham and Locke (2006) have documented in their scholarly article that specific goals and objectives increase the employees' efforts to achieve them.

Other studies on Goal-Setting theory have implied that there are high results in the levels of performance when goals are either assigned to individuals or when individuals are allowed to set goals for themselves (Salaman, 2005). Goals that are assigned to individuals by an authority tend to have performance expectations that focus on ensuring employee performance reaches the assigned goal. High performance has equally been observed when individuals set goals for themselves

given that the purpose of having a goal was carefully explained by managers and supervisors.

Goal setting results in higher performance levels when employees are given feedback on how well they are performing according to Heslins et al (2012). Arnold and Schoonman (2002) described Locke's goal setting theory as probably the most successful theory in increasing work performance because of research studies done, including the use of goals with groups of people and the role of specific individual differences such as personality and ability.

Figure 2.1 Diagram of Goal Setting Theory



Source: Landy and Conte (2007)

According to Landy and Conte (2007), research on the theory of goal setting supported the simple presentation of the model as displayed in Figure 2-1. They explained that the above model makes a distinction between goal acceptance and goal commitment. Goal acceptance means that the goal has been assigned, while goal commitment stretches broader to include both the assigned goals and goals set by the individuals themselves.

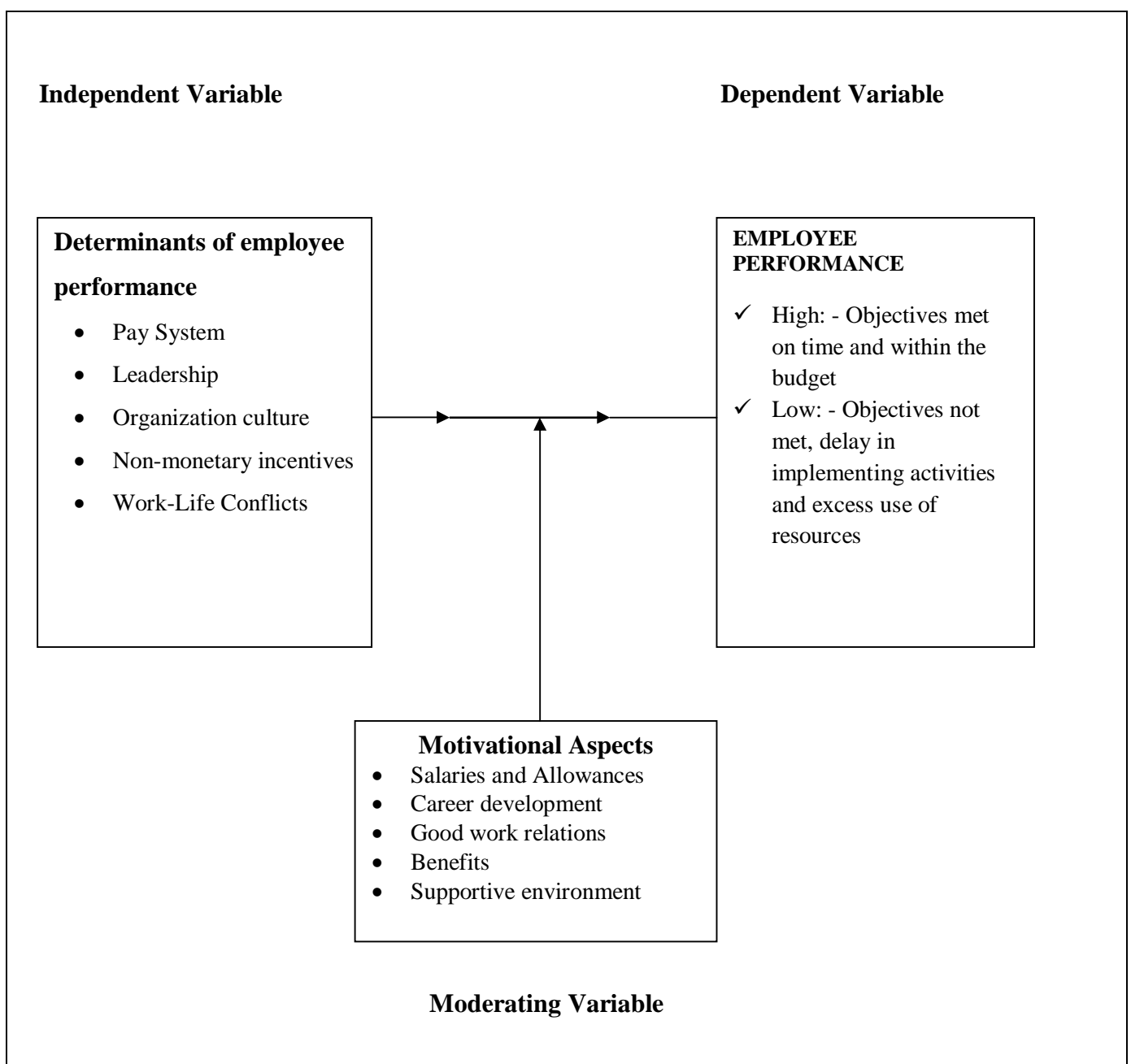
Bartol and Durham (2002) deem the setting of performance goals to be a key constituent of many Pay System plans throughout organizations. They both agree with Locke and Latham (2006) that specific difficult goals accompanied by feedback on

performance will lead to higher personnel performance by focusing the worker's attention increasing effort and intensifying diligence toward task completion.

2.9 Conceptual Framework

This section portrays a visual presentation of the different variables in this study on determinants of employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi.

Figure 2.2 Conceptual Framework of Determinants of Employee Performance in donor funded programs at CHS, UoN



The ultimate goal of all stakeholders is to achieve the objectives of the donor-funded programs, but, this study indicates that employee performance is influenced by the following factors: Pay System, Leadership, Organization culture, Non-monetary incentives and Work-Life Conflicts. This study assumes that moderation of the independent variables on the dependent is in the context of motivational aspects such as; better salaries and allowances on the work, good work relations, strong relations with management, better benefits such as payment of gratuities and supportive environment. This study aims at determining how the above mentioned independent variables influence the employee performance of workers employed in donor funded programs at the College of Health Sciences, University of Nairobi. It has been argued that organizational effectiveness cannot be realized unless the factors that interact between the employees and employers are understood and leveraged (Ainsworth et al, 2008).

2.10 Summary of the Reviewed Literature

Variable	Indicators	Author (Year)	Title of the Study	Findings	Knowledge Gap
Pay System	<ul style="list-style-type: none"> ▪ Increased salaries ▪ Commissions ▪ Bonus ▪ Healthy allowances 	<ul style="list-style-type: none"> ▪ Armstrong (2007) ▪ Bartol and Durham (2002) ▪ Curtis et al (2002) ▪ Kreitner (2004) 	<ul style="list-style-type: none"> ▪ Organization and People Employee Reward ▪ Industrial and Organizational psychology ▪ The People Capability Maturity Model: Guidelines for Improving the Workforce. ▪ Management 	<p>Employees are paid in accordance to their contribution, skill, competence and market worth.</p> <p>Pay is a key aspect of the employer's side of bargain in exchange for employee's effort</p> <p>Pay systems in organizations should be designed to motivate their employee's skills and behaviors that are considered important to its success</p> <p>Pay deserves special attention when considering employee rewards since money is considered the universal extrinsic reward</p>	<p>The influence of pay system on employee performance different at donor funded programs workers in College of Health Sciences, University of Nairobi</p>

		<ul style="list-style-type: none"> ▪ Robbins and Sanghi (2007) ▪ Langton and Robbins (2007) ▪ Armstrong and Murlis (2007) 	<ul style="list-style-type: none"> ▪ Organizational Behaviour ▪ Organizational Behaviour Concepts, Controversies and Application. ▪ Reward Management: A handbook of Remuneration Strategy and Practice 	<p>Money is the crucial incentive to work motivation because it is the vehicle by which employees can purchase the numerous need satisfying things they desire</p> <p>Employers should aim at creating an innovative, mutually beneficial pay system that is attractive and competitive to the organization's talented employees</p> <p>Considered additional benefits of pay to an organization include: greater impact, enhanced employee-employer relationship, increased engagement and flexibility to meet individual needs</p>	
Leadership	<ul style="list-style-type: none"> ▪ Support of management ▪ Involvement in decision making 	<ul style="list-style-type: none"> ▪ Cole (2005) ▪ Levine & Crom 	<ul style="list-style-type: none"> ▪ Organizational Behaviour ▪ The Leadership in You 	<p>Leadership has a bearing on inhibiting of encouraging employee performance</p> <p>Workers who have strong trust in their leadership are</p>	The influence of leadership on employee performance at donor funded programs workers in the College of

		<p>(1993)</p> <ul style="list-style-type: none"> Fagnani (2014) 	<ul style="list-style-type: none"> What influences employee performance 	<p>completely satisfied with their job and leads to better performance</p> <p>Leaders who act in a degrading or discriminatory manner are likely to influence the performance of their workers negatively.</p>	Health Sciences, University of Nairobi
Non-Monetary Incentives	<ul style="list-style-type: none"> Recognition Personal growth Commitment Enhanced job engagement 	<ul style="list-style-type: none"> Armstrong and Baron (2009) Alam et al (2013) Wignaraja and Balassanian (2006) 	<ul style="list-style-type: none"> Managing Performance: Performance Management in Action Impact of Non-monetary rewards on Employees' Motivation: a Study of Comercial Banks in Karachi Incentive Systems: Incentives, Motivation and Development Performance 	<p>Recognition for a job well done boosts an employees' level of performance in the absence of monetary rewards</p> <p>Pay is not the only way to reward good performance</p> <p>Less tangible incentives relay to recognizing the employee's work and personal growth opportunity</p>	The influence of non-monetary incentives on employee performance at donor funded programs workers in the College of Health Sciences, University of Nairobi

		<ul style="list-style-type: none"> Murray (2008) 	<ul style="list-style-type: none"> Organizations' are cakes not cars: getting the public sector incentive mix right 	<p>The relationship between incentives and employee behaviour are complex and multifaceted hence there is no one easy way to construct an incentive structure that will deliver high quality services.</p>	
Organizational Culture	<ul style="list-style-type: none"> Organizational values Workplace training and skills education 	<ul style="list-style-type: none"> Rehman (2012) Nelson & Quick (2011) Bulach et al (2012) Morgan (2007) 	<ul style="list-style-type: none"> Effect of Organizational Culture on organizational performance Understanding Organizational behaviour Creating a culture for high-performing schools Images of Organization 	<p>Knowing the culture of an organization allows employees to understand the organization's history and methods of operation</p> <p>Organization culture fosters commitment to the organization's values and philosophy</p> <p>Knowing the culture of an organization allows employees to understand the organization's history and methods of operation</p> <p>Organizational culture is the shared meaning, shared understanding and shared sense-making</p>	<p>The influence of organizational culture on employee performance at donor funded programs in the College of Health Sciences, University of Nairobi</p>

		<ul style="list-style-type: none"> ▪ Kotter (2012) ▪ Awadh and Saad (2013) ▪ Brooks (2006) ▪ Van dan Merwe (2008) 	<ul style="list-style-type: none"> ▪ Corporate Culture and Performance ▪ Impact of Organizational Culture on Employee Performance ▪ Organizational Behaviour: Individuals, Groups and Organization ▪ A critical analysis of factors that influence employee performance 	<p>The organization culture of has the potential to enhance performance, job satisfaction, and increases the sense of certainty about problem solving</p> <p>An organizational culture that involves employees in decision making, setting goals, giving feedback, providing workplace skills education and training and promotions from within, encourage enhanced performance</p> <p>The loyalty of employees relies upon knowledge and awareness of culture that improves behaviour of organization</p> <p>Employees are encouraged to take in the organizational culture at the utmost strength and the top management should provide accurate</p>	
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				instructions and directions to motivate the employees in achieving the company's goals and objectives.	
Work-life Conflicts	<ul style="list-style-type: none"> Flexible working hours Staff welfare 	<ul style="list-style-type: none"> Beauregard et al (2009) Fagnani (2014) Siddiqui (2013) Christofferson (2207) 	<ul style="list-style-type: none"> Making the link between work-life balance practices and organizational performance What influences employee performance Impact of Work Life Conflict on Employee Performance Connecting the Dots: Experts Discuss Work-Life as a Catalyst 	<p>A decrease in work-life conflicts led to increase in overall productivity and performance of an employee</p> <p>A supportive work environment for employees is significant in helping them achieve their goals</p> <p>Employment is not just meant for earning a livelihood and personal prosperity, but also for the worker's family life, safety and privacy</p> <p>Work-life balance is concerned with finding out how people can report to work without worry since an unhappy</p>	The influence of work-life conflicts on employee performance for donor funded programs at the College of Health Sciences, University of Nairobi

		<ul style="list-style-type: none"> ▪ Naithani (2010) and Felstead et al (2002) ▪ Armstrong and Murlis (2007) 	<ul style="list-style-type: none"> ▪ Overview of worklife balance discourse and its relevance in current economic scenario ▪ Opportunities to work at home in the context of work-life balance. ▪ Reward Management: A handbook of Remuneration Strategy and Practice 	<p>employee will deliver poor performance at work.</p> <p>Work-life conflicts have a significant negative blow on the worker's health, psychological and physical needs, and job productivity.</p> <p>People do not leave their lives behind when they come to work so there should be an emphasis on valuing people rather than mobilizing workers, assist employees to build on their strengths and promptly deal with issues such as discrimination and bullying</p>	
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CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter consists of a description of the type of research design adopted by the study, target population, sample size and sampling procedure, data collection instrument, pilot testing of the instrument, data collection procedures and how data will be analyzed.

3.2 Research Design

This has been defined by Henon, 1998.as a plan for collecting and utilizing data so that the desired information can be obtained with sufficient precision so that hypotheses or research questions can be tested properly. The researcher employed a cross-sectional descriptive study design because the data was collected at one point in time where each respondent filled only one questionnaire, during the entire data collection period. The responses obtained were applied for the period under study only (Punch, 2005).

3.3 Target Population

Employees working in ten (10) donor-funded programs at College of Health Sciences, University of Nairobi participated in the study.

3.4 Census

The selection of the employees was done across ten (10) donor funded programs as shown in Table 3.1.

Table 3.1 Total Number of Employees in Donor Funded Programs at College of Health Sciences, University of Nairobi

SN	PROJECT	No. of Employees
1.	Partnership for Innovative Medical Education in Kenya (PRIME-K)	12
2.	HIV-AIDS and Pregnancy Intention Study (HAPI)	5
3.	UoN HIV Fellowship	5
4.	International Extramural Associates Research Development Award (IEARDA)	6
5.	Most At Risk Populations Study (MARPS)	4
6.	Partnership in AIDS Care and Treatment (PACT)	5
7.	Partnership in AIDS Care and Education (PACE)	4
8.	Afya Bora Consortium (ABC)	2
9.	Linked MNCH (Maternal Newborn Child Health)	5
10.	MP3 study	3
TOTAL		51

3.5 Data Collection Instruments

A questionnaire comprising a set of questions was used to generate data that was necessary to accomplish the objectives of the research project (McDaniel and Gates, 2011). It

was kept brief to reduce respondent fatigue and boredom (Brace, 2004). Check boxes were used for quicker completion (Frazer, 2000). A five-point attitudinal rating scale was used to measure levels of attitude towards the questions as stated by Babbie et al (2007). Two balanced opposing scales each with two positive and two negative answers, and one neutral answer was used in this study. This allowed incorporation of stronger as well as softer positive or negative attitudes towards a question (Brace, 2004). Positive scales include “1=Strongly Agree” and “2=Agree” while negative scales used “4=Disagree” and “5=Strongly Disagree”. The “3=Neither Agree or Disagree” option provides balance and a neutral option for respondents to select.

3.6 Pilot testing of the instruments

This was conducted using the researcher's supervisor and a panel of five colleagues not working for programs for feedback purposes due to their familiarity with the research purpose and did not participate in the final research. After amendments were made in question wording, layout, sequencing and validity of the questions, the final draft of the questionnaire was finalized and disseminated (Collins and Hussey, 2009).

3.7 Validity of the instrument

The degree to which the research findings accurately reflect the phenomena under study as defined by Collins and Hussey (2009) reflects the validity of instruments. In this study, the questionnaire was pre-tested by the researcher's supervisor and five (5) members of staffs who were not working for programs but had general knowledge on project operations within the institution. This was vital in determining its effectiveness thus, allowing for justifications to suit the objectives of the study.

3.8 Reliability of the instrument

To test the extent to which results are consistent over time, data collected during pilot testing period will be analyzed to ensure consistency and accuracy during the study.

3.9 Data collection procedures

The questionnaire was pre-tested by the researcher's supervisor and a panel of five (5) members of staff who did not work for donor – funded programs but had an understanding of the activities. This ensured the questionnaires' workability in terms of structure, content, flow and duration. The researcher relied on experts when piloting the instrument to identify changes that could be made with confusing items (Cooper and Schindler, 2005).

3.10 Data analysis techniques

The data was analyzed using Statistical Packages for Social Sciences (SPSS) to present results of this study on employee performance in donor-funded programs at College of Health Sciences, University of Nairobi.

3.11 Ethical considerations

The researcher ensured informed consent and anonymity for respondents in the research study thus maximizing honesty in sensitive employee performance and work environment responses (Du Plooy, 2002).

3.12 Operational definition of the variables

Below is a summary of how the concept of Factors influencing employee performance in programs at the College of Health Sciences, University of Nairobi was measured;

Table 3.2 Operational definition of the variables

Type of Variable	Variable	Indicators	Measure	Scale of measurement	Tools of analysis
Dependent	Employee Performance	<ul style="list-style-type: none"> - Completion of project on time and within budget - Objectives met - The donor's willingness to refinance the project 	Dimension of success (efficiency in usage of donor funds on time and effectiveness of intended programs' implementation)	Nominal	Frequencies Percentages and SPSS
Independent	Pay System	Employee attitude towards the Pay System system	Responses to questions targeted at measuring Pay Systems	Ordinal	Frequencies Percentages and SPSS
Independent	Leadership	Employee attitude towards the management	Responses to questions targeted at measuring leadership	Ordinal	Frequencies Percentages and SPSS
Independent	Organization culture	Employee attitude towards the work place	Responses to questions targeted at measuring organization culture	Ordinal	Frequencies Percentages and SPSS
Independent	Non-monetary incentives	Employee attitude towards the incentives	Responses to questions targeted at measuring non-monetary incentives	Ordinal	Frequencies Percentages and SPSS
Independent	Personal distractions	Employee attitude towards handling of personal distractions	Responses to questions targeted at measuring personal distractions	Ordinal	Frequencies Percentages and SPSS
Moderating	Motivation Aspects	<ul style="list-style-type: none"> • Salaries and Allowances • Career development • Good work relations • Benefits • Supportive environment 	What determines the extent of the influence of the independent variables on employee performance	Nominal	Frequencies Percentages and SPSS

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

The purpose of this study was to establish the determinants of employee performance in the donor funded programs at the College of Health Sciences, University of Nairobi based on factors that influence employee performance.

In this chapter, the results of the research are presented. Data collected from the questionnaires was collated and tabulated using frequencies, cross tabulations and percentages. The information was then analyzed and contrasted against the problem statement and literature reviewed. Results and findings were evaluated and conclusions are made in relation to the study's research questions. For uniformity of presentation, all percentages were rounded up or down to the nearest whole number.

4.2 Questionnaire Return Rate

Fifty one (51) questionnaires were sent out to workers in donor-funded programs at the College of Health Sciences University of Nairobi from the ten programs selected for this study of which 43 respondents filled and submitted online on the platform provided by the researcher for data collection. This represented 84% return rate which was considered a good rate for social sciences studies according to Saunders et al (2012). Table 4.1 shows a summary of the response rate.

Table 4.1 Summary of Questionnaire Response Rate

SN	PROJECT	No. of Employees	Percentage Submitted
1	Afya Bora Consortium (ABC)	2	100%
2	HIV-AIDS and Pregnancy Intention Study (HAPI)	5	99%
3	International Extramural Associates Research Development Award (IEARDA)	6	99%
4	Linked MNCH (Maternal Newborn Child Health)	5	100%
5	Most At Risk Populations Study (MARPS)	4	10%
6	MP3 study	3	100%
7	Partnership for Innovative Medical Education in Kenya (PRIME-K)	12	100%
8	Partnership in AIDS Care and Education (PACE)	4	100%
9	Partnership in AIDS Care and Treatment (PACT)	5	80%
10	UoN HIV Fellowship	5	99%
	TOTAL	51	84%

4.3 Characteristics of the Respondents

The first part of the research questionnaire (Section A) collected general data on the demographics of the respondents. This included aspects of indicating the donor-funded project the employee is working, gender, age, marital status, highest level of education, if the employee started working with their current level of education, years of service with the current donor-funded project, current salary, description of salaries offered, and if the employee would recommend the donor-funded as employer of choice.

The second part of the questionnaire (Section B) collected data on the variables that the researcher was investigating on their influence to employee performance. These included the pay system, leadership, non-monetary incentives, and organization culture and work-life conflicts. A five point attitudinal rating scale was used to measure the levels of attitudes towards the questions as stated by the researcher.

4.3.1 Gender of the respondents

A total of 43 employees submitted their duly filled in questionnaires out of which 37% were male and 63% female as shown in Table 4.2. This shows that donor-funded programs could be highly preferred by female employees compared to the male. It could also reflect gender imparity in recruitment.

Table 4.2 Number of respondents by Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	16	37.2	37.2	37.2
Female	27	62.8	62.8	100.0
Total	43	100.0	100.0	

4.3.2 Age of the respondents

A cross tabulation was done to compare gender to age to deduce a specific relationship to the results as shown in Table 4.3. The researcher found that 93 % of the respondents were aged between 18-40years while 7% were above 40 years. This indicates that donor funded programs do not require many years of work experience when recruiting. Young professionals and graduates get opportunities of personal and career growth since they join the organization when young.

Table 4.3 Respondents Age Groups

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18 - 40 years	40	93.0	93.0	93.0
Above 40 years	3	7.0	7.0	100.0
Total	43	100.0	100.0	

4.3.3 Marital Status of the respondents

The study found out that 28% of the respondents were married while 72% were single as shown in Table 4.4. This indicated that majority of the employees had families.

Table 4.4 Respondents Marital Status

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Single	12	27.9	27.9	27.9
Married	31	72.1	72.1	100.0
Total	43	100.0	100.0	

4.3.4 Highest Level of Education

The survey findings in Table 4.5 indicate that 81% of the respondents had a university degree or college diploma, while 19% of the respondents had attained professional education. This shows that a majority of the employees in donor funded programs are recruited with tertiary education. Professional education may be a requirement for a specific position or acts as an added advantage.

Table 4.5 Highest Level of Education of the Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid College/University Education	35	81.4	81.4	81.4
Professional Qualifications	8	18.6	18.6	100.0
Total	43	100.0	100.0	

4.3.5 Years worked at the Project by the respondents

The findings of this study indicated that 60% of the respondents have worked in their current programs for 0-4years, 15 have worked for 5-8years while 2 had worked for over 8 years. This shows that donor funded programs offer temporary jobs and few of them exist beyond 8 years in operation as shown in Table 4.6.

Table 4.6: Number of Years worked at the Project

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0 - 4 years	26	60.5	60.5	60.5
5 - 8 years	15	34.9	34.9	95.3
Over 8 years	2	4.7	4.7	100.0
Total	43	100.0	100.0	

4.3.6 Salary Range of the respondents

The study findings indicated that 5% of the respondents had a monthly salary range of below Ksh. 41,000, 16% of the respondents earned salaries ranging from Ksh. 41,000 to Ksh. 70,000, 44% earned salaries ranging from Ksh. 71,000 to Ksh 100,000 while 35% of the respondents earned salaries Above Ksh. 100,000 as shown in Table 4.7.

This shows that jobs in donor funded programs have starting salaries of Kshs. 70,000 and above.

Table 4.7: Salary Range of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Below 41,000	2	4.7	4.7	4.7
41,000 - 70,000	7	16.3	16.3	20.9
71,000 - 100,000	19	44.2	44.2	65.1
Above 100,000	15	34.9	34.9	100.0
Total	43	100.0	100.0	

4.3.7 Salary in Line with Responsibilities

The study findings at Table 4.8 indicate that 91% felt that the salaries were in line with their responsibilities, while 9% of the respondents felt that the salaries were not in line with their responsibilities. This shows that majority of the donor funded program employees are satisfied with the pay system.

Table 4.8: Respondents Description of their Salaries

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid In-line with responsibilities	39	90.7	90.7	90.7
Not in line with responsibility	4	9.3	9.3	100.0
Total	43	100.0	100.0	

Factor analysis was used to explain the underlying unobservable variables that were reflected in respondents input in Section B by taking a large set of variables and summarizing the data into a smaller set of factors or components. Factor analysis was done using advanced data management and statistical software package SPSS to ease the work of formatting, data manipulation and processing as advised by Rattray & Jones (2007). Two statistical measures were generated by SPSS to help assess the factorability of the data: Bartlett's test of sphericity (Bartlett, 1954), and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy (Kaiser, 1974). Bartlett's test of

sphericity should be significant ($p < 0.05$) for the factor analysis to be considered appropriate. The KMO index ranges from 0 to 1, with 0.6 suggested as the minimum value for a good factor analysis (Tabachnick, B. G. & Fidell, L. S., 2007). The Kaiser-Meyer-Olkin (KMO) value was 0.704, exceeding the recommended value of 0.6 (Kaiser, 1974) and Bartlett's Test of Sphericity (Bartlett 1954) reached statistical significance ($p=0.000$), supporting the factorability of the correlation matrix.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.704
Approx. Chi-Square		1004.107
Bartlett's Test of Sphericity	df	300
	Sig.	.000

4.4 Pay System and Employee Performance

This study sought to assess the influence of pay system to employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi. The variables considered under this factor were: value of rewards, compensation, salaries and perks, promotion and financial support. The study found out that 83% of the respondents indicated that donor-funded programs provided fringe benefits to its employees as shown in Table 4.9. This confirms the majority respondents that described their salaries being in line with their responsibilities. Langton and Robbins (2007) encourage employers to create an innovative, mutually beneficial pay system that is attractive and competitive to the organization's talented employees.

Table 4.9 Pay System Communalities

	Initial	Extraction
I value tangible rewards	1.000	.505
Rewards and compensation benefits directly affect my performance	1.000	.722
Donor funded programs' salary and benefits are attractive and are appreciated by employees	1.000	.761
The donor funded program provides fringe benefits for its employees	1.000	.830

Extraction Method: Principal Component Analysis

4.5 Leadership and Employee Performance

The study sought to establish the influence of leadership on employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi. The variables considered under this factor were: leadership style, use of teamwork to meet project objectives, platforms and meetings to discuss how to improve project activities, mentorship and nurturing of employees by leaders. The researcher found out that 78% of the respondents confirmed that the donor funded program leadership encouraged regular staff meetings to discuss issues with their employees with the objective of improving work performance as shown in Table 4.10. Cole (2005) emphasized from his study that leadership had a bearing on inhibiting of encouraging employee performance.

Table 4.10 Leadership Communalities

	Initial	Extraction
The donor funded program's leadership style has an influence in my work performance	1.000	.383
The donor funded program's leadership encourages teamwork which contributes positively in my work performance	1.000	.730
The donor funded program's leadership encourages regular staff meetings to discuss issues with the objective of improving work performance	1.000	.775
The leadership style in the donor funded program is characterized by teamwork, consensus and participation	1.000	.674
The leadership in the donor funded program is considered to exemplify mentoring, facilitating and nurturing	1.000	.561

Extraction Method: Principal Component Analysis

4.6 Non-Monetary incentives and Employee Performance

The study sought to assess the influence of non-monetary incentives on employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi. The variables considered were: recognition and personal attention, respect from supervisor, growth potential, participation in decision making, accountability, creativity and challenging work. According to the study findings, 89% of the respondents strongly agreed that the growth potential within the program is important to them as shown in Table 4.11. Wignaraja and Balassanian (2006) stated that less tangible incentives relay to recognizing the employee's work and personal growth opportunity.

Table 4.11 Non-monetary Incentives Communalities

	Initial	Extraction
The incentives provided by the project are generally supportive of my work performance	1.000	.624
Recognition and personal attention on its employee is important in my work performance	1.000	.784
The respect from my supervisor and colleagues influence my work performance	1.000	.840
The growth potential within the donor funded program is important to me	1.000	.893
The donor funded program encourages employee participation in decision making	1.000	.796
The donor funded program employees are held to account for their performance	1.000	.858
The donor funded program provides opportunity to do creative and challenging work	1.000	.762

Extraction Method: Principal Component Analysis

4.7 Organizational Culture and Employee Performance

The study sought to identify the influence of organization culture on employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi. The variables considered were: innovation, job description, standard operating procedures, meeting targets and defining success. 90% of the respondents strongly agreed that donor funded programs are results oriented and have a major concern on meeting the targets as shown in Table 4.12. Van dan Merwe (2008) states that as employees are encouraged to take in the organizational culture at the utmost strength, the top management should provide accurate instructions and directions to motivate the employees in achieving the company's goals and objectives.

Table 4.12 Organizational Culture Communalities

	Initial	Extraction
The donor funded program has adopted an organization culture that enables me meet my objectives	1.000	.753
The donor funded program's organization culture supports innovation by employees	1.000	.857
Role clarity specified by the donor funded program in my job description is important for work performance	1.000	.742
The donor funded program's standard operating procedures guide my work performance	1.000	.734
The donor funded program is results oriented and has a major concern on meeting the targets	1.000	.902
The donor funded program defines success on the basis of objectives met	1.000	.552

Extraction Method: Principal Component Analysis

4.8 Work-Life Conflicts and Employee Performance

The study sought to examine the influence of work-life conflicts on the performance of employees in donor funded programs at the College of Health Sciences, University of Nairobi. The variables considered were: counseling for employees, scheme for supporting in employees and flexible working schedule. 89% of the respondents strongly agreed that the donor funded programs provided a scheme for supporting its employees in case of loss of family member, illness or disability as shown in Table 4.13. Fagnani (2014) emphasized that a supportive work environment for employees is significant in helping them achieve their goals.

Table 4.13 Work-life Conflicts Communalities

	Initial	Extraction
The donor funded programs provides counseling for its employees	1.000	.845
The donor funded programs has provided a scheme for supporting its employees in case of loss of family member, illness or disability	1.000	.895
The donor funded programs provided for a flexible working schedule in case an employee falls ill	1.000	.116

Extraction Method: Principal Component Analysis

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The purpose of this research was to establish the determinants of employee performance in the donor funded programs at the College of Health Sciences, University of Nairobi based on factors that influence employee performance.

This chapter contains analysis of the research findings that were presented in Chapter four and recommendations based on research results. Concluding remarks and suggestions are made for future research study.

5.2 Key findings

The study identified five key determinants of employee performance for employees in donor funded programs at the College of Health Sciences, University of Nairobi.

5.2.1 Pay System and Employee Performance

From the study results, it was determined that 83% of the respondents agreed indicated that donor-funded programs provided fringe benefits to its employees which according to Robbins and Sanghi (2007) shows that money is a crucial incentive to work motivation because it is the vehicle by which employees can purchase the numerous need-satisfying things they desire. A research by Langton and Robbins (2007) reaffirm that for majority of the workforce, regular pay is necessary in order to meet basic physiological and safety needs.

5.2.2 Leadership and Employee Performance

From the study findings, 78% of the respondents confirmed that the donor funded program leadership encouraged regular staff meetings to discuss issues with their employees with the objective of improving work performance. Fagnani (2014) reported in her work that a poll conducted in New York in April 2010 by Maritz Research established that 58 percent of respondents who had strong trust in their management were completely satisfied with their job and led to better performance.

Leadership exists and develops in any organization but it is preferable if the real leader is also the individual who is actually in charge.

5.2.3 Non-monetary incentives

This study confirmed that 89% of the respondents agreed that the donor funded program leadership encouraged regular staff meetings to discuss issues with their employees with the objective of improving work performance. A research by Adeoti & Isiaka (2006) supported that Non-monetary incentives have a positive impact on employee performance since non-financial rewards such as needs for achievement, recognition, responsibility, influence and personal growth had a positive impact on employee performance. Creation of opportunities for employees to enhance their personal and career growth is essential.

5.2.4 Organizational Culture

From the study findings, 90% of the respondents strongly agreed that donor funded programs are results oriented and have a major concern on meeting the targets. According to Alharbi & Alyahya (2013), the organization culture helps in internalizing joint relationship that lead to manage effective organization processes. The productivity and culture of organization is helpful in improving performance, while the positive association between culture and performance is vital in improving results of an organization. The job performance of organization has a strong impact of strong organization culture as it leads to enhance productivity. The norms and values of organization based upon different cultures influence on work force management. In an organization, a strong culture enables the implementation of an efficient management of employee work force.

5.2.5 Work-life conflicts

From the findings of this study, 89% of the respondents strongly agreed that the donor funded programs provided a scheme for supporting its employees in case of loss of family member, illness or disability. Quick et al (2004) proposes that organizations are required to put into practice effective family support services, welfare programs and paid sabbaticals leaves for certain employees. Fagnani (2014) mentioned that employees who experienced problems in their personal life have a hard time concentrating at work hence causing a drop in performance.

5.3 Conclusions

The researcher established that the pay system, leadership, non-monetary incentives, organizational culture and work-life conflicts influenced employee performance for workers in donor-funded programs at the College of Health Sciences, University of Nairobi. However, it should be noted that different factors will influence different people in different ways and at different times though there exists common actions and reactions to these factors.

5.4 Recommendations

This study was confined to establish the determinants of employee performance in donor-funded programs at the College of Health Sciences, University of Nairobi.

On the basis of this study, I recommend the following:

1. Pay system

Introduction of more fringe benefits will enhance employee performance since from the findings of this study, majority of donor funded program employees are satisfied with their salaries.

2. Leadership

Leadership must understand its vision before the employees can look for ways to contribute to its success. Communication on the programs' objectives, performance and new initiatives to employees will enhance their performance because they will better understand what is expected of them. Employees should be invited to contribute fresh ideas and perspectives because it will encourage out-of-box thinking.

3. Non-monetary incentives

Involving employees in decision making, setting goals and giving feedback, will encourage enhanced performance

4. Organization culture

Use of targets should be encouraged to boost employee performance hence leading to more productivity in the donor funded programs.

5. Work-life conflicts

Formal supports such as family-oriented policies and benefits for instance, parental leave, ability to take time off and make it up later, flexible working hours, job sharing and sick child care will help the employees deal with work-life conflicts.

5.5 Suggestions for further study

A similar study should be carried out across the various campuses within the institution to compare the results

This study can also be carried out in the same institution but for employees not working in donor funded programs for comparison.

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APPENDICES

Appendix I: Letter of Transmittal

Linda Wanja Nyaga
Email: linyaga09@gmail.com
Nairobi

The Principal, College of Health Sciences,
University of Nairobi,
P.O. BOX 30197-00100,
Nairobi

Dear Sir,

RE: Permission to Conduct Academic Research

I'm a post graduate student pursuing a Master's degree in Project Planning and Management at the University of Nairobi conducting a research entitled- **Determinants of Employee Performance in Donor Funded Programs: A case of University of Nairobi, College of Health Sciences for the period between 2009- 2014** in partial fulfillment of the requirements for the program.

The purpose of this letter is to seek permission to collect relevant data from the employees of the different programs within the college. I wish to affirm that information obtained will be treated with utmost confidentiality and will be used only for the intended purpose.

Thank you in advance.

Yours faithfully,



Linda Wanja Nyaga
Master of Arts student
Project Planning and Management
University of Nairobi

Appendix II: Approval To Collect Data



UNIVERSITY OF NAIROBI COLLEGE OF HEALTH SCIENCES

Telephone: 2725698 DL
Telegrams: Varsity Nairobi
Fax: 2720509
Email: principal-chs@uonbi.ac.ke

OFFICE OF THE PRINCIPAL
University of Nairobi
Kenyatta National Hospital
P.O. Box 19676 -00202
Nairobi, Kenya

January 12, 2015

Ms. Linda Wanja Nyaga
L50/82743/2012
C/o PRIME-K PROJECT
CHS

Dear Ms. Nyaga,

RE: PERMISSION TO CONDUCT ACADEMIC RESEARCH

We acknowledge receipt of your letter dated November 11, 2014 on permission to conduct research study entitled "Determinants of Employee Performance in Donor Funded Programs: A case of University of Nairobi, College of Health Sciences for the Period between 2009-2014.

I am pleased to inform you that your request has been approved. You will conduct this research with effect from January 14, 2015 up to and including July 2015. Please note that this offer is made on the following conditions;


1. Information obtained will be treated with utmost confidentiality
2. The information obtained will be used only for the intended purpose

Yours Sincerely,

MS. SYLVIA S. OBULINJI
FOR COLLEGE REGISTRAR
COLLEGE OF HEALTH SCIENCES

Copy to: PI, PRIME-K Project
sso/...

Appendix III: Nacosti Permit to Collect Data

THIS IS TO CERTIFY THAT: MS. LINDA WANJA NYAGA of UNIVERSITY OF NAIROBI, 30197-100 NAIROBI, has been permitted to conduct research in Nairobi County on the topic: DETERMINANTS OF EMPLOYEE PERFORMANCE IN DONOR FUNDED PROJECTS: A CASE OF UNIVERSITY OF NAIROBI, COLLEGE OF HEALTH SCIENCES FOR THE PERIOD: BETWEEN 2009-2014 for the period ending: 4th December, 2015	Permit No : NACOSTI/P/15/1500/6868 Date Of Issue : 28th July, 2015 Fee Recieved :Ksh. 1000
 Applicant's Signature	 for Director General National Commission for Science, Technology & Innovation
CONDITIONS 1. You must report to the County Commissioner and the County Education Officer of the area before embarking on your research. Failure to do that may lead to the cancellation of your permit 2. Government Officers will not be interviewed without prior appointment. 3. No questionnaire will be used unless it has been approved. 4. Excavation, filming and collection of biological specimens are subject to further permission from the relevant Government Ministries. 5. You are required to submit at least two(2) hard copies and one(1) soft copy of your final report. 6. The Government of Kenya reserves the right to modify the conditions of this permit including its cancellation without notice	 REPUBLIC OF KENYA  NACOSTI National Commission for Science, Technology and Innovation RESEARCH CLEARANCE PERMIT Serial No. A 5969 CONDITIONS: see back page

Appendix IV: Letter of Introduction to Respondents

Linda Wanja Nyaga
Email: linyaga09@gmail.com
Nairobi

Dear Respondent,

RE: Request for your Participation in Research

I'm a post graduate student pursuing a Master's degree in Project Planning and Management at the University of Nairobi conducting a research study entitled **Determinants of Employee Performance in Donor Funded Programs: A case of University of Nairobi, College of Health Sciences for the period between 2009- 2014** in partial fulfillment of the requirements for the program.

You have been selected to assist in providing the required information and your views are important to this study. As I kindly request you to fill this questionnaire, I wish to affirm that information obtained will be treated with utmost confidentiality and will be used only for the intended purpose of this study.

Thank you in advance for your co-operation.

Yours faithfully,



Linda Wanja Nyaga
Master of Arts student,
Project Planning and Management,
University of Nairobi

Appendix V: Research Questionnaire

SECTION A: DEMOGRAPHIC DATA

1. Which of the below is your current donor funded program?

SN	PROJECT	TICK ONE
1.	Partnership for Innovative Medical Education in Kenya (PRIME-K)	
2.	HIV-AIDS and Pregnancy Intention Study (HAPI)	
3.	UoN HIV Fellowship	
4.	International Extramural Associates Research Development Award (IEARDA)	
5.	Most At Risk Populations Study (MARPS)	
6.	Partnership in AIDS Care and Treatment (PACT)	
7.	Partnership in AIDS Care and Education (PACE)	
8.	Afya Bora Consortium (ABC)	
9.	Linked MNCH (Maternal Newborn Child Health)	
10.	MP3 study	

2. Gender: Tick (✓) as appropriate- Male ☐ Female ☐

3. Age: Tick (✓) as appropriate- 18-40 years ☐ above 40 years ☐

4. Marital Status: Tick (✓) as appropriate- Single ☐ Married ☐ Divorced ☐ Widowed ☐
Separated ☐

5. State the highest level of education you have achieved to date. Tick (✓) as appropriate.

- i) No Formal education ☐
- ii) Primary education ☐
- iii) Secondary education ☐
- iv) College/ University education ☐

v) Professional qualifications []

6. Did you start working with the level of education you have ticked above? Tick (✓) as appropriate-

Yes [] No []

7. State the total number of years you have worked in your current donor funded program. Tick (✓) as appropriate-

0 -5 Years [] 5-8 [] Over 8 Years []

8. Indicate your basic salary range. Tick (✓) as appropriate.

Below 40,000 [] 41,000-70,000 [] 71,000-100,000 [] Above 101,000 []

9. How would you describe the basic salaries offered in your current donor funded program?

Tick (✓) as appropriate.

Appropriate [] In-line with responsibilities [] Not in line with responsibility []

10. Would you recommend donor funded program job to prospective job seekers? Tick (✓) as appropriate.

Would recommend [] would Not recommend

SECTION B:

State to what extent you agree or disagree with the statements in the tables below:

Key

1= Strongly Disagree, 2= Disagree, 3= Neither Agree nor Disagree, 4= Agree, 5=Strongly Agree

A. Pay System and Employee Performance

Statement	1	2	3	4	5
I value tangible rewards					
Pay System benefits directly affect my performance					
Donor funded program salary and benefits are attractive and are appreciated by employees					
The donor funded program provides fringe benefits for its employees					

B. Leadership and Employee Performance

Statement	1	2	3	4	5
The donor funded program's leadership style has an influence in my work performance					
The donor funded program leadership encourages teamwork which contributes positively in my work performance					
The donor funded program leadership encourages regular staff meetings to discuss issues with the objective of improving work performance					
The leadership style in the donor funded program is characterized by teamwork, consensus and participation					
The leadership in the donor funded program is considered to exemplify mentoring, facilitating and nurturing					

C. Non –monetary incentives and Employee Performance

Statement	1	2	3	4	5
The incentives provided by the donor funded program are generally supportive of my work performance					
Recognition and personal attention on its employee is important in my work performance					
The respect from my supervisor and colleagues influence my work performance					
The growth potential within the donor funded program is important to me					
The Project encourages employee participation in decision making					
The donor funded program employees are held to account for their performance					
The donor funded program provides opportunity to do creative and challenging work					

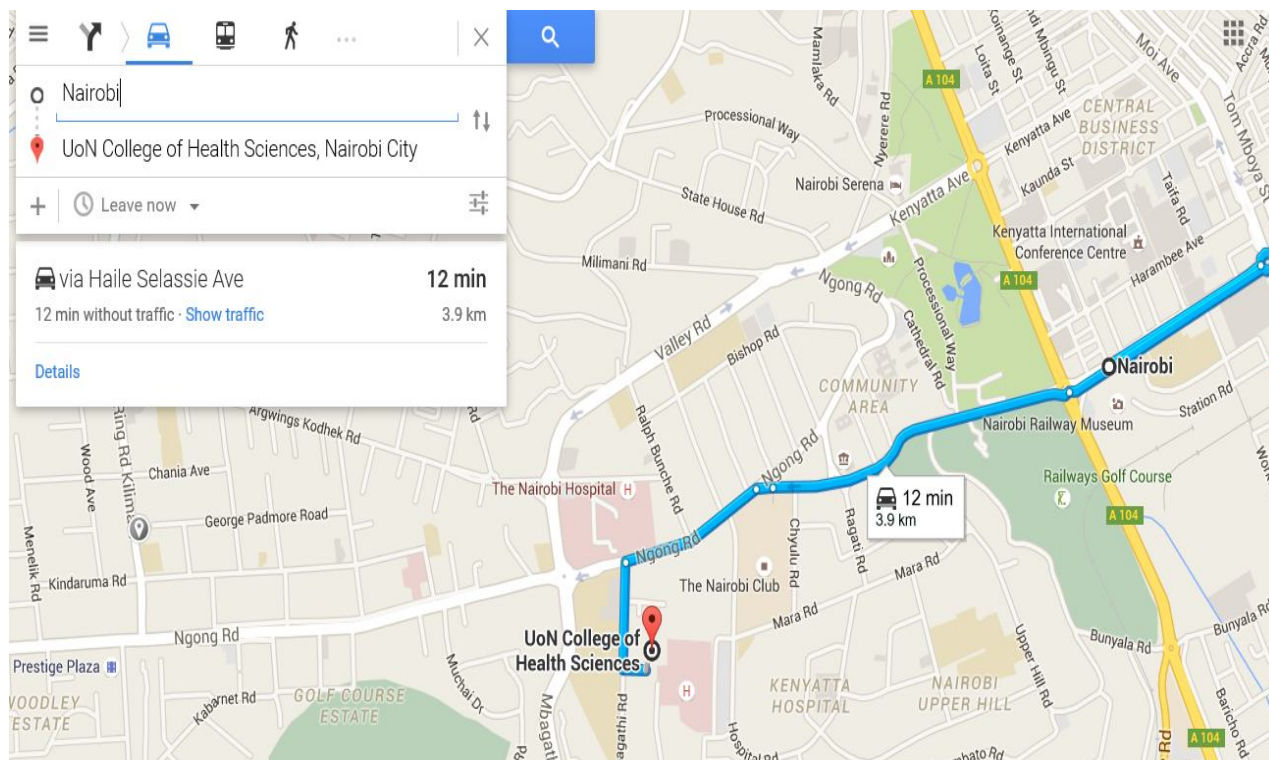
D. Organizational Culture and Employee Performance

Statement	1	2	3	4	5
The donor funded program has adopted an organization culture that enables me meet my objectives					
The donor funded program's organization culture supports innovation by employees					
Role clarity specified by the donor funded program in my job description is important for work performance					
The donor funded program's standard operating procedures guide my work performance					
The donor funded program is results oriented and has a major concern on meeting the targets					
The donor funded program defines success on the basis of objectives met					

E. Work-Life Conflicts and Employee Performance

Statement	1	2	3	4	5
The donor funded program provides counseling for its employees					
The donor funded program has provided a scheme for supporting its employees in case of loss of family member, illness or disability					
The donor funded program provides for a flexible working schedule in case an employee falls ill					

Appendix VI: Map to College of Health Sciences (CHS), University of Nairobi from Nairobi Central Business District



Appendix VII: SPSS Tabulations and Analysis

1. Reliability Analysis

Case Processing Summary

		N	%
Cases	Valid	43	100.0
	Excluded ^a	0	.0
	Total	43	100.0

a. List wise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.935	.937	25

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
44.63	134.573	11.601	25

2. Factor Analysis

Communalities

	Initial	Extraction
The project provides counseling for its employees	1.000	.871
The project has provided a scheme for supporting its employees in case of loss of family member, illness or disability	1.000	.820
The project provided for a flexible working schedule incase an employee falls ill	1.000	.815
I value tangible rewards	1.000	.532
Rewards and compensation benefits directly affect my performance	1.000	.790
Donor funded program salary and benefits are attractive and are appreciated by employees	1.000	.731
The program provides fringe benefits for its employees	1.000	.795

The program's leadership style has an influence in my work performance	1.000	.780
The Project leadership encourages teamwork which contributes positively in my work performance	1.000	.727
The Project leadership encourages regular staff meetings to discuss issues with the objective of improving work performance	1.000	.791
The leadership style in the project is characterized by teamwork, consensus and participation	1.000	.664
The leadership in the project is considered to exemplify mentoring, facilitating and nurturing	1.000	.768
The incentives provided by the project are generally supportive of my work performance	1.000	.702
Recognition and personal attention on its employee is important in my work performance	1.000	.782

The respect from my supervisor and colleagues influence my work performance	1.000	.835
The growth potential within the project is important to me	1.000	.873
The project encourages employee participation in decision making	1.000	.682
The project employees are held to account for their performance	1.000	.848
The project provides opportunity to do creative and challenging work	1.000	.672
The Project has adopted an organization culture that enables me meet my objectives	1.000	.763
The Project's organization culture supports innovation by employees	1.000	.759
Role clarity specified by the project in my job description is important for work performance	1.000	.820

The Project's standard operating procedures guide my work performance	1.000	.763
The project is results oriented and has a major concern on meeting the targets	1.000	.904
The project defines success on the basis of objectives met	1.000	.524

Extraction Method: Principal Component Analysis.

