

**EMPLOYEE EMPOWERMENT PROGRAMS IN SMALL AND
MEDIUM-SIZED SALON BUSINESSES IN NAIROBI CENTRAL
BUSINESS DISTRICT, KENYA**

BY

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DECLARATION

This research project is my original work and has not been presented in part or whole in any other university for an award of a degree.

Signature

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This research project has been submitted with my approval as a university supervisor.

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DEDICATION

I dedicate this research project to my mother Belita syukau lisi, my husband Paul Musyimi Nzengu and my Children Newton Nzengu and Bill Lisi.

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ABSTRACT

Employee empowerment consists of sharing power and authority with the employees. Few studies have been conducted on the use of empowerment programs in small and medium-sized enterprises in various areas in Kenya but none has looked at the salon sector.

The purpose of this study was to determine employee empowerment programs used by small and medium-sized salon enterprises in Nairobi Central Business District. This was aimed at providing information to salon owners on how they can improve in their businesses for competitive advantage as well as add value to employee services at the work place.

The research employed cross-sectional descriptive survey design where a sample of SMEs from the listing of the sampling frame containing 607 small and medium-sized salon businesses licensed with single business permits (SBP) by the City Council of Nairobi. A sample of sixty one (61) salon enterprises was identified and selected for this study. Out of this, 50 enterprises responded, representing a response rate of 81.97%. Respondents were either owners/managers or other employees of the organizations.

Semi-structured questionnaire was designed and used to capture data to address the objectives of this study. Both qualitative and quantitative primary data were collected. The questionnaire instrument was divided into two sections. Section one focused on democratic characteristics of respondents while section two focused on employee empowerment programs used by the salon enterprises.

The data collected was checked for consistency and then analyzed to arrive at various conclusions. Descriptive statistics such as frequencies, percentages and mean scores were used to analyze and describe the data

The study found out that most small and medium-sized salon businesses in Nairobi central business district employed various employee empowerment programs. It is also recommended that they involve employees in budget preparation and execution as well as involving them in sharing of company profits through bonuses and dividends.

The researcher proposes that future studies explore use of employee empowerment programs in other social set-ups as well as in other social set-ups as well as in other sectors such as construction and manufacturing.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Empowerment essentially involves passing decision making authority and responsibility from managers to employees. It is an intrinsic motivation manifested in four cognitions reflecting an employee's orientation to his or her work role (Ford and Fottler, 1995). These cognitions including "meaning", or the fit between requirements of a work role and an employee's beliefs, values, and behaviours; "competence", or an employee's belief about his or her capacity to perform work activities with skill; "Self determination", or the amount of autonomy an employee has over the initiation and confirmation of work behaviour and processes and "impact", or the degree to which an employee can influence strategic, administrative, or operating outcomes at work (Thomas and Velthouse, 1990).

It should be noted that empowerment is beneficial to both the organization and the individual employee. Specifically organizations have sought improvements in cost control, flexibility, and quality improvement (Psoinos and Smithson, 2002). While the primary motive of empowerment is usually to improve the economic performance of the organization, benefits to the individual employee have also been identified. Nykodym, et., (1994) found that employees who consider themselves empowered have reduced conflict and ambiguity in their role, as they are able to control (to a certain extent) their own environment. It is observed that empowered employees have a greater sense of job satisfaction, motivation and organizational loyalty, as they feel more involved in the achievement of the organizational goals (Mullins and Peacock, 1991).

Since 1980s, industry and academia have shown a growing interest in the concept of employee empowerment. Empowerment is generally seen in the management literature as the process of delegating or the decentralization of decision-making power (Conger and Kanungo, 1980). Empowerment has been widely seen as the missing piece in the puzzle formed by growing global competition, organizational restructuring, and the increasing importance of service quality and customer satisfaction (Wilkinson, 2001). From a societal perspective, the concept of empowerment is also said to be aligned with the progressive democratization of both society and organizations, as it allows workers in small enterprises some degree of self-determination (Goldsmith, Nickson, Sloan and Wood, 1997).

It has been argued that to properly empower employees, small and medium sized organizations “must make more information available to more people at more levels through more devices (Kanter, 1986). Employees need information about changes occurring in the firm’s strategic goals, and they need to understand the impact their work has on the achievement of those goals. This kind of information creates the buy-in necessary to generate dramatic and ongoing improvements in the business (Caudron, 1995).

Empowering employees would thus involve moving decision-making authority down the organizational hierarchy and granting employees the ability to significantly affect organizational outcomes. For example according to London (1993), empowerment results from decentralization, a flattening of the hierarchy, and increased employee participation. Empowerment is “ensuring that the employee has the authority to do his or her job”. This

has been the traditional approach to empowerment and it focuses on the actions of the power holder who transfer some power to the less powerful (Menon, 2001).

1.1.1 Employee empowerment programs

Different types of employee empowerment programs exist. Greasley, et al., (2005) divides the definition of empowerment into three categories; those that refer to employees taking part or share in decision making with no attempt to qualify their impact on the process; those that are concerned with the extent to which employees may influence managerial actions and the third link together participation and the control over the decision making. They believe that these definitions need to take into account the degree, level and forms of involvement and the range of subject matter being considered in the empowerment process (Cole, 2002).

Upward problems solving participation is one major employee empowerment program. It is generally designed for the purpose of capturing ideas and solving production problems (Marchington; Goodman; Wilkinson; and Ackers, 1992). They are in the form of suggestion schemes, problem solving groups such as quality circles and attitude surveys. Task-based participation, team working and self-management can also be considered here. Suggestion schemes work on the principle that employees' submit their suggestion, say in a suggestion box, the suggestion is reviewed by a manager and a decision to accept or reject it is made. If accepted the employee generally receives a financial reward. A study carried out in United Kingdom between 1998 and 2004 indicated that around 30% of organizations reported the use of suggestion schemes.

Downward participation (top down) or informational participation is another employee empowerment program. Downward communications means top-down communication from management to employees. This is usually in form of company newspapers, meetings, team briefings and the use of internet (Holden, 2004). Others include notice boards, newsletters, emails, and employee surveys. Team briefing systems are normally used to cascade managerial messages down the organization. They are essentially top-down forms of communication, but employees are given a chance to ask questions or even lodge comments, queries or concern (Lashley, 1999).

Financial empowerment is also a program of employee empowerment, which means that employees have a financial stake in the company. It aims at enhancing the employee motivation and commitment to the organization by linking the performance of the organization to that of the employee. Marchington, et al., (1992), suggests that schemes such as profit-sharing, employee share ownership and organization-wide bonus arrangements are some of financial rewards used in the empowerment process. While some researcher/authors have considered financial rewards as key to empowerment, others have come up with contradicting findings (Gennard and Judge, 2005).

1.1.2 Small and medium-sized salon enterprises in Nairobi Central Business District

Over past two decades in particular, there has been substantial debate as to how best to maximize the Small and Medium-Sized Enterprises (SMEs) contribution to local economic development in the light of the failure of many financial institutional models and programs for poverty alleviation (World Bank Group, 2001: Bear et al., 2003). The SME Sector in Kenya plays an important role in the socio-economic development of the

country and cuts across all sectors of the economy. It provides one of the most prolific sources of employment and is the breeding ground for the large industries that are critical for industrialization (Sessional Paper No. 2 of 2005 on Development of Micro and Small Enterprises for Wealth and Employment creation for poverty reduction).

Based on sheer numbers, small businesses dominate the economic landscape of most countries (Chu and Benzing, 2009). For instance, in 2003 small and medium-sized enterprises in Kenya employed 3.2 million people and produced 18 per cent of the nation Gross Domestic Product (OECD) Development Centre, 2005) as cited by Chu and Benzing (2009), small and medium-sized enterprises in Nairobi comprises of a wide range of businesses. These include agriculture, quarrying, manufacturing, construction, wholesale and retail trade, real estate renting and business activities, education, health and social work among others. All these can be classified into broader categories such as trade, manufacturing, services or construction (Muraguri, 2010). According to wikipedia definition, a service sector is the portion of the economy that produces intangible goods and a salon firm belongs to this category. A salon sector in Nairobi Central Business District is classified into two main categories; beauty salon and hair salon and although many small businesses do offer both sets of treatments; beauty salons provide more generalized services related to skin health, facial aesthetic, foot care and aromatherapy (such as mediation, oxygen therapy and mud baths).

In this sector, productivity, both individually and in business is determined by how well one manages resources. In a salon business, there are a number of resources at one's disposal such as staff, time, clients, products and amenities but mostly defeat rears its head in the management and control of staff and time. Whereas in the manufacturing

industry poor productivity is measured by underutilization of collective resources in the service industry (where the salons fall) it represents poor use of the work force. But this can be improved through rewarding team efforts and accelerating training (Maitemei, 2003).

Stylists as a vice have led to closure of many salon businesses in Nairobi Central Business District. This is where the salon owner allows his/her salonist to own clients. This means that the salonist bring along her previous clients to her new employer and leave with them to the next employer. When stylists leave, they compromise salon's ability to deliver quality service and they hold the salon owners' hostage thus encouraging many owners to stoop to unethical recruitment tactics (Harry, 2011). Therefore, salon owners should provide incentives such as retainer pay to control employee turnover.

1.2 Statement of the Problem

If power is not taken by those it is bestowed upon, there is no empowerment (Vogt and Murrell, 1990). One of the most important issues in the employee empowerment debate concerns the way in which management can implement "empowerment" in practice. Empowered behaviour is the extent to which employees within a business enterprise make independent decisions and take initiatives to enhance service quality and customers satisfaction. Cole (2002) argues that the main reason organizations are currently increasing the role of ordinary employees in decision making is because they are forced in the situation as a result of political pressures and also because they see 'participation' and 'empowerment' as means of obtaining greater employee motivation and commitment

to organizational objectives. This means Coleman (1996) letting go of some supervisory control to obtain focus on results. Collins and Porras (1994) points out that, when commitment is obtained from employees aligned with the firms ideology, significant authority can be given to those on the front for responsiveness to the market.

Important reason for encouraging greater employee participation in decision making, even if only through increased consultation, is that it can lead to improved efficiency and effectiveness in delivering goods and services to customers, Bridges (1994) since empowered employee acts like one who is self-employed, with responsibility for both results and career. However, it should be noted that implementation of employee empowerment programs can be influenced by various factors. Armstrong (2009) states that factors that influence employee involvement includes, interesting and challenging work, responsibility (feeling that the work is important and having control over one's own resources), autonomy (freedom to act), scope to use and develop skills and abilities, the availability of the resources required to carry out the work, and opportunities for advancement.

Most small and medium-sized enterprises use employee empowerment as a strategy for competitive advantage. However, there are considerable doubts about the quality of management in this sector with policy makers suggesting that there are particular weaknesses in innovation, a lack of financial acumen, marketing, entrepreneurial flair, practical knowledge, and human resource management. Because of their limited resources, inexperienced management, and lack of financial stability, small and medium-sized enterprises suffer a mortality rate significantly higher than that of larger, established businesses (Scarborough and Zimmerer, 1996). Nonetheless, when strategically managed,

they have the potential to provide their owner-manager with ability to strategically bring substantial economic rewards and a controlled and balanced lifestyle (Orwa 2007).

Several studies have been carried out on the small and medium-sized enterprises such as strategic management practices and challenges among small and medium-sized enterprises in westlands division, Nairobi (Ndambuki, 2010). She concluded that small and medium-sized enterprises in westlands have embraced strategic management practices. Muraguri (2010) carried a study on managing challenges facing small and medium-sized enterprises in Central Business District of Nairobi and concluded that the challenges are universal and that lack of access to affordable credit and regulatory environment are small and medium-sized enterprises perennial challenges that are most synonymous with the operation of the enterprise. Other studies include Wanjohi and Mugure (2008), on Kenya, small and medium sized enterprises challenges, limiting their ability to strategically position themselves in the market. Koros (2010) undertook a research on employee empowerment in the public service, a case of the Ministry of Trade. Therefore, there is a gap in knowledge on the specific employee empowerment programs in small and medium-sized salon enterprises in Nairobi Central Business District. This study therefore seeks to answer the question; what are the employee empowerment programs adopted by small and medium salon enterprises in Nairobi Central Business district.

1.3 Research Objective

To determine employee empowerment programs used by small and medium-sized salon enterprises in Nairobi Central Business District.

1.4 Significance of the study

The research will be important to various stake holders such as decision makers who will gain value added information about employee empowerment in small and medium-sized enterprises. Further, they will be informed how employee empowerment in small and medium-sized enterprises can achieve competitive advantage, improve operational efficiency and development portfolio.

Academic and business research will be able to borrow from the findings of this research to support literary citations as well as develop themes for further research. It would also help in the management of empowered staff for maximum outputs. It will assist the management to find out more about empowering employee and enhancing teamwork among the employees. The study will enable them to identify the weaknesses and strengths in empowering their worker and embrace various employee empowerment programs for competitive advantage, growth and development of their businesses.

Employees will also benefit a great deal from this research. They will understand how they can participate in decision making of the organization so as to feel that they are part and parcel of the organization.

CHAPTER TWO: LITERATURE REVIEW

2.1 Empowerment theory

Empowerment theory assumes that empowerment takes on different forms for different people. While the multifaceted nature of empowerment has been well represented in the literature through the investigation of context-specific questions, the range of empowerment experiences within a particular setting has not been fully explored. Although, within a given context, setting members may be working towards a common goal, these individuals have unique personal histories, assume different roles, and often represent different constituencies (Martin, 1992).

Recent developments in empowerment theory have significantly advanced our understanding of the complexity of this construct. Empowerment theorists and researchers have argued that empowerment assumes divergent forms and meaning across people, is contextually determined, and changes over time (Rappaport, 1984; Zimmerman, 1995). The recognition that empowerment is an individualized and dynamic experience poses a critical challenge for empowerment researchers: the identification of research methods that capture this complexity.

According to Zimmerman (1990) psychological empowerment refers to the individual level of analysis, but does not ignore ecological and cultural influences. Psychological empowerment is a contextually oriented conception of empowerment that embraces the notion of person-environment fit. Positivist research approaches have played an important role in identifying some of the common individual and contextual factors that

impact empowerment processes and outcomes (Rich and Chavis, 1990; Spretizer, 1995). Empowerment refers to “the process of gaining influences over events and outcomes of importance to an individual or group” (Fawcett; White; Balcazar; Suarez-Balcazar; Mathews; and Smith, 1994).

2.2 Employee empowerment

Employee empowerment can be termed as the “most arguable concept in the management of the 1990s”. Various literature sources have defined it, and many small and medium-sized enterprises claim they employ it. However, if one asks 100 people what empowerment means or entails one is guaranteed at least 99 different answers. Empowerment in general terms is handing the powers of decision and action to the employees and giving them more authority and responsibility to achieve their job and thus customers’ satisfaction (Fawcett, et al., 1994). Employee empowerment is said to benefit all organizations. The fast moving global economy requires that organizations learn and adapt to change quickly, and employees have a key role.

According to Nykodym, et al., (1994), worker participation has been a popular topic for studies since the 1940s and 1950s. The earlier researchers in this field were far more successful in creating a field for academic study than establishing a link with practical application. The findings of these studies suggested that greater potential existed for improving job satisfaction and performance through employee empowerment. Nykodym, et al., (1994) notes that, by the 1960s and 1970s worker participation programs were on the rise in the United States. For instance, quality circles were readopted in the United States culture from that of the Japanese. During this time, participative management ideas

began to create considerable amount of interest among management theorists and practitioners, and workshops and courses on these management techniques began to appear. In 1980s it became clear that United States were no longer competing with the Japanese.

The concept of employee empowerment has taken different forms, evolving through the employee involvement and participative decision-making concepts into the contemporary empowerment perspective (Greasly et al., 2005). Initiatives reveal that there is considerable overlap between employees commitment, often, these terms are used interchangeably. Cole (2002) argues that, the concept of empowerment is a recent addition to the language of personnel management, like participation, it is usually applied to the non-managerial grades such as team members and it appears to have several possible meaning which can range from having increased authority (that is, legitimate power) and therefore the ability to exercise a wide range of choices at work to being given a more varied and interesting job- a form of 'job enrichment'. Employee empowerment means different things in different organizations, based on culture and work design. They continue to argue that empowerment is based on the concepts of job enlargement and job enrichment. Sisson (1994) defines job enlargement as the combination of tasks separated by scientific management techniques, with a consequent increase in work cycle, while Jackson, Schuler and Werner (2009) observes that job enrichment involves changing jobs to boarder and to add challenges to the tasks required.

The approach to leadership that empowers subordinates as a primary component of managerial and organizational effectiveness is called empowerment (Bennis, 1989). Employee empowerment is said to benefit all organizations. The fast moving global

economy requires that organizations learn and adapt to change quickly, and employees have a key role to play. This is particularly true in modern small and medium-sized enterprises. The empowered employee is said to respond more quickly to customer needs, act to rectify complaints and be more engaged in service counters. Price (2007) notes that, manager in an empowering organization believe that, leadership belong to all employees and not just a few, know that the company is most likely to succeed when employees have the tools, training and authority to do their work best.

2.3 Levels of employee empowerment

A key component of empowerment is granting employees' authority, or giving them the right to act in ways needed to accomplish task (Schermerhorn, 1993). The rationale is that as employees acquire more authority to take care of customer needs, problems can be handled promptly, sometimes right on the spot. DuBrin (1997) contends that if the empowered employee is given a certain amount of decision-making authority, this must consist of the authority to deliver certain expected results. In this case, the expected result is customer satisfaction. Schlesinger and Zornitsky (1991) suggest that the acquisition of decision-making authority by employees is likely to result in customer satisfaction.

According to Nykodym, et al., (1994) one of the four areas of participation is goal setting. Employees can take part in establishing a goal for a task, designing a job or even the speed at which the work should take place, next employees can take part in making choices among alternative courses of action such as working hours, thirdly, employees can take part in solving problems. Finally, participation may involve making

organizational changes such as setting company policies that might involve hiring, layoffs, profit sharing or investments.

Armstrong (2009) identifies various levels of employee involvement and participation; at job level which involves team leaders and their teams and processes include the communication of information about work and the interchanging of ideas about how work should be done; at management level, which involves sharing information and decision-making about issues that affect the way in which work is done and carried out and working arrangements and conditions. At this level, involvements and participations may become more formalized, through consultative committees, briefing groups, joint bodies involving management and employees or their representatives; at the policy-making level where the direction in which the business is determined, total participation would imply sharing the power to make key decisions and at ownership level where participation implies a share in the equity, which is not meaningful unless the workers have sufficient control through voting rights to determine the composition of the board. Baird and Wand (2010) summarizes these levels under four main dimensions of empowerment; collaboration, formalization, directness and degree of influence.

2.4 Employee empowerment programs

Zimmerman (1995) notes that there are various programs an organization can use in order to empower its employees. These range from communication, financial participation, and representative participation to flexible work schedules. Lashley (1999) notes that, each form of empowerment is likely to represent different sources of satisfaction to employees and different benefits to the employer.

2.4.1 Communication

Beardwell, et al., (2004) points out that the key to employee empowerment is communication and organizations need communication systems to function. Thus, Martin (1992) argues that the principal training focus should be on communication development so that employees can engage in this new participative and facilitative management /leadership style. Beardwell et al., (2004) States that communication can be one way or two way, top down or bottom up and both top down and bottom up , as well as across the organization. Communication can be downward, which is employee involvement in form of house journals, company newspapers, employee reports and regular briefing sessions, often with videos as well. Rodrigues (1994) argues that one of the human practice for winners is the belief that frequent, honest and open communication with employees is needed to reinforce the quality culture, where, Coleman (1996) supervisors are expected to motivate others by communicating a clear vision of what the organization needs to accomplish or change. Thus, the importance of making more information available to employees has increased substantially (Gomez, et al., 2010).

Beardwell, et al., (2005) notes that the company magazine/newspaper is communication method which varies in quality from amateur desktop-published affairs produced by employees in their spare time to lavish glossy productions that have been part of the communications systems of many large companies for a number of years. Genuine expression of employee feelings via letter pages or forthright quotes from employee representatives even of a negative nature may show the management's desire to achieve fairness. Sisson (1994) points out that, of all the communication methods in use, team briefing is perhaps the most systematic in the provision of 'top-down' information to

employees. Beardwell, et al., (2005) argues that team briefings are meant to cascade information or managerial messages through-out the organization. The teams are usually based around a common production or service or department area rather than an occupation and commonly comprise between 4-15 people. Briefs are effective in reinforcing company aims and objectives at the personal, face-to-face level.

Another form of communication is use of quality circles. Quality circles are made up of 6-10 employees, with regular meetings held weekly or fortnightly during working time. Brennan (1991) adds that their principal aim is to identify problems from their own area and using data collection methods and statistical techniques acquired during circle training, analyze these problems and devise possible solutions. The proposed solutions are then presented formally to the manager of the section who may decide to implement the circles proposed. The quality circles are usually representative, and may provide intrinsic satisfaction for those immediately involved, but they represent a more direct source of satisfaction for the staff who do not take part (Malone, 1997).

According to Lashley (1999), manual and mental work should be separated. Management should specialize in planning and organizing work and workers should specialize in doing it and this can be done through job design and team-working. Blackburn and Rosen (1993), argues that, job design emphasizes problem solving in a team-working situation and in order to function effectively it must be bound up with policies of task flexibility and job rotation. Thus, management working mostly in total quality management organizations should be congruent with the corporate culture which includes shift from working as individuals to working as team. Autonomous work groups do give employees more direct involvement. They can provide sources of satisfaction which meet belonging

and control needs. Hence employees need training in team building, team leadership and team decision making (Lashley, 1999).

2.4.2 Financial Participation

According to Beardwell, et al., (2004), these are schemes that attempt to link rewards of individuals to the performance of the unit or the enterprise as a whole. This includes schemes such as profit sharing, employee share ownership and value added or establishment –wide bonus arrangements. The general aim of financial participation schemes as argued by Holden (2004) is to enhance employee motivation and commitment to the organization by linking the performance of the organization to that of the employee.

Miner & Crane (1995) argues that profit sharing plans give employees a current distribution of a share of the organization's profits. According to Cole (2002), it is scheme where the employee is given a chance to buy company shares and participate in the company's financing opportunities. The employee is also entitled to receive information which is normally available to shareholders and sometimes, the profit made is reflected in his/her total pay. Generally, Burke (1986) points out that intrinsic reward provided by way of informal, spontaneous and immediate praise upon exemplary behaviour is likely to be more effective than extrinsic rewards provided by formal incentive systems.

2.4.3 Representative Participation

Armstrong (2009) describes it as a situation where employees are involved through representatives drawn from among their number, often though not always, on the basis of

union membership, for example, Joint Consultative Committees, advisory councils, work councils, co-determination and collective bargaining, delegation, board presentations or attitude surveys. Nykodym, et al., (1994) describes it as a formal, indirect, but of medium low influence form of participation. Sisson (1994) describes this as a two-way communication.

According to Marchington, et al., (1992), Beardwell, et al., (2004), joint consultation is defined as a mechanism for managers and employees representatives to meet on a regular basis, in order to exchange views, to utilize members' knowledge and expertise, and to deal with matters of common interest which are not the subject of collective bargaining. Sisson (1994) argues that, the aim is to increase employee commitment to and compliance with employer objectives.

Employee empowerment can also be achieved through delegation of duties. Cole (2002) sees this as a participative management style that encourages real delegation of authority. It implies that all employees are encouraged to play a part in the decision affecting their work. As a result, each takes responsibility on how the job is to be done as well as the outcomes of the job. Coleman (1996) notes that employers who shares information, authority, resources and accountability with employees and treats them as partners is likely to get good performance while Malone (1997) supports this by suggesting that an empowered organization is one where managers supervise more people than in a traditional hierarchy and delegate more decisions to their subordinates. This is achieved through training, as Babbar and Rai (1993) have proposed that, continuous improvement in basic processes and raising the productivity of employees can be facilitated by challenging them and engaging them intellectually, and that, managers can make this

possible by providing the necessary infrastructure required to bring out the best in their employees and building in mechanisms for them to use in order to draw from the environment.

Vogt and Murrell (1990) suggests that, other interventions used by leaders to achieve employee empowerment deal with systematic, structural, and programmatic issues as well as individual and managerial responsibilities such as the use of job-enrichment. Cole (2002) refers job enrichment to 'participation' where employees are given greater discretion over immediate work decisions. Gomez, et al., (2010) looks at it as the process of putting specialized tasks back together so that one person is responsible for producing a whole product or an entire service. It's aimed at enhancing employee motivation by increasing their responsibility for their work outputs and increasing job interest since responsibility for activities such as planning and controlling the work flow are shifted from the supervisor to the person performing the work (Jackson and Schuler, 1999).

Representative participation can also be in form of collective bargaining. Cole (2002) defines it as a situation where employees are allowed to participate in negotiations which relate to changing organizational policies, pay structures and working conditions. Collective agreement also includes, Jackson, et al., (2009) activities related to interpreting and enforcing the collective agreement and resolving any conflicts arising from it.

2.4.4 Flexible work schedules

These are employee empowerment programs which enable employees a way for them to pursue their careers without surrendering the quality of work life they desire and they

come in various forms (Foot and Hook, 2008), the emphasis here being Coleman (1996) on the people who are well-balanced, including concern for their home life since it can influence work attitudes, behaviour and performance. Basically, flexible work schedules alter the scheduling of work while leaving intact the job design and the employment relationship (Gomez, et al., 2010) as a result, employers may get higher levels of productivity. It also enables managers to deal with the unexpected jolts in the environment and accommodate the needs of a diverse workforce.

One of the forms of flexible work schedules is flextime. Foot and Hook (2008) define flextime as a plan whereby employees' workdays are built around a core of midday hours, such as 11:00 a.m. to 2:00 p.m. In such arrangements workers determine their own starting and stopping hours. Besides this increased discretion, Miner and Crane (1995) argue that some job enrichment and motivational effects can be anticipated accordingly.

Currently, teleworking/home working is being used by many firms as a way of empowering employees at the work place. Foot and Hook (2008) argue that, with the advent of fax and email, people do not need to be in the same building to transmit written documents and reports instantaneously. Orders are relayed using information technology and employees use their home as their base rather than their office in a town centre. An employee communicates with the office via three technologies, Miner and Crane (1995) telephone, television and computer, and may go into the office periodically to touch base with the employer and to attend meetings. As noted by Jackson and Schuler (1999), teleconferencing allows people at different locations to see and talk to each other in real time. This allows employees to cultivate tailored lifestyles while working a full-time job Gomez, et al., (2010).

Alternate work arrangements are also being used to empower employees. Foot & Hook (2008) points out that work schedules, like flextime involve working outside of the traditional 8 to 5 workday. However, alternate schedules have a fixed start and end time, whereas flextime allows the employee to vary start and end as long as they are there during the core hours. An alternate schedule may be 6:00 am to 3:00 p.m or 11:00 am to 8:00 pm. five days a week, or it may be four 10 hour days, or any other different schedule. Jackson and Schuler (1999) points out that, alternate work arrangements can reduce the stresses caused by such conflict between job demands, family needs, leisure values, and educational needs.

2.5 Factors influencing the adoption of employee empowerment programs

Despite the claimed benefits associated with employee empowerment, there is evidence which suggests that the implementation of empowerment practices is not as prevalent as would be expected, with many employee empowerment initiatives unable to achieve the levels of empowerment intended (Collins, 1994; Foster-Fishman and keys, 1997). Some of the factors associated with the inability of organizations to implement empowerment practices include lack of top management support (Cunningham and Hyman, 1999) with the argument that empowerment is superficial and that empowerment of employees is just rhetoric with managers still maintaining control (Argyris, 1998). Conger and Kanungo (1988) maintains that, insufficient attention has been given to the link between the theory advocating employee empowerment and the practical implementation of employee empowerment. Nykodym, et al., (1994) adds that certain conditions exist that affect the

success of participative management, and unless these conditions are managed skillfully, an attempt to participative management may fail. One set of condition is composed of the values, attitudes, and expectations, Adler (1993) and perceptions by employees that empowerment is linked to downsizing Johnson (1994) and other employees may resist empowerment as they fear the increased levels of responsibility and accountability.

Another factor is the design of the actual work to be done. For instance, Lashley (1999) argued that managerial perceptions of what empowerment is and the benefits it is supposed to deliver will shape the form that is introduced (quality circles, or autonomous groups), which in turn will shape what employees can now do that they did not do before the change.

According to Lock, et al., (1996), motivational and cognitive mechanisms are the most important mechanisms in participation. They argue that motivational mechanisms include actions such as trust, greater control of the work, more ego involvement on the job, increased identification with the organization and the setting of high goals. Hodgetts and Hegar (2008), defines the cognitive component as a set of values and beliefs that a person has toward a person, an object or an event, whereas, cognitive mechanisms include more upward communication and better utilization on information by supervisors who do not have the knowledge or enough information to make high quality decisions on their own.

The form of industry greatly influences employee empowerment. Lashley (1999) argues that individual customers may define and redefine their needs from service deliverers as their circumstances, experiences, and expectations change. Adelman, et al., (1994) points out that some base level customer expectations of employee performance; positive

interpersonal contacts, service delivery attitudes, courtesy and helpfulness which are all closely related to customer evaluations of service quality determine employee empowerment.

Baird and Wang (2009) summarizes these factors into two; organizational (business unit size, training, and link to rewards) and cultural factors (innovation, team work, and outcome orientation). Dimitriadis and Kufidu (1995), Spreitzer (1996) maintains that larger organizations will be more likely to exhibit higher levels of employee empowerment as they have a greater number of hierarchical levels that provides a greater opportunity to delegate decision making to lower levels but Mathieu, et al., (2006) maintains that empowerment of employees will not achieve its desired outcomes unless employees “have the skills and abilities needed to handle the tasks and decisions at hand”. Hence, the level of training is considered important in respect to providing employees with the skills (team work, problem solving, communication, and interpersonal) that facilitate employee empowerment (Smith, et al., 2004). Employees who receive such training will be more competent and confident in making decisions. Similarly, it is maintained that if management wishes to implement employee empowerment within an organization, adequate rewards must be linked to the desired employee behavior. Specifically, an appropriate reward system must be put in place to encourage employees to assume the additional decision-making responsibilities associated with employee empowerment (Baird and Wang, 2009).

Organizational culture provides an environment and framework to determine when, where, and how to implement employee empowerment (Foster-Fishman and Keys, 1997). Hence, it is important for management to foster an organizational culture that is

conducive to the implementation of employee empowerment. Cultural factors also influence the way employees are empowered in different countries. Baird and Wang (2009) gives examples such as innovation, team-work and outcome orientation but Rodrigues (1994) argues that organizational culture is not easily changed and its very expensive and time consuming (involves both cultural and structural changes). Culture also deals with gender biasness. Siringi (2011) realized that certain individuals, such as women, in the traditional society are prevented from rising to more conventional levels of prestige, power and wealth such as education and high-government office. Studies by Chu, et al., (2007) and Grey, et al., (2006), in turkey and morocco found that business activity in Muslim countries is heavily dominated by males. G'omez, et al, (2010) noted that although in 2003 women represented almost half of all managers in the United States, only 13 per cent of United States managers sent abroad were women.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

This study used cross sectional descriptive survey. According to Kombo and Tromp (2004) a survey method is one of the most important data collection methods in the social sciences, and as such it is used extensively to collect information on numerous subjects of research. A survey is deemed appropriate for this study because the population is large and it allows accessibility of inaccessible participants.

3.2 Population

The population of this research consisted of the 607 small and medium salon businesses licensed with Single Business Permit (SBP) by the City Council of Nairobi. The Council stratifies SMEs by the number of employees as indicated in table 3.1 below.

Table 3.1: Number of small and medium salon business in Nairobi Central Business

Category of firm	Number of employees	Number of Salons
Small -sized Salons	1 – 20	508
Medium- sized Salons	20 – 50	99
Total		607

Source: ICT department, City Council of Nairobi (2011)

3.3 Sampling

Mugenda and Mugenda (2003) suggested that for descriptive studies, 10% of the accessible population is enough as a sample. It should be noted that the exact number of small and medium-sized enterprises in Nairobi Business District has not been put into record due to the dynamism of the businesses. The sample size for the study was then selected randomly but based on such categories of small and medium-sized salons business within Nairobi Central Business District. The researcher selected ten percent of 607 salons as tabulated below.

Table 3.2: Sample size of small and medium salon business in Nairobi Central Business

Category of firm	Percentage of firms	Sample size
Small -sized Salons	83.7	51
Medium- sized Salons	16.3	10
Total	100.0	61

Source: Source: ICT department, City Council of Nairobi (2011)

3.5 Data collection

The researcher used primary source of data. Primary data collection entailed the use of a questionnaire comprising of both open-ended and close-ended questions to be completed by target respondents in the small and medium-sized salon enterprises in Nairobi Central Business District. The questionnaire was divided into two sections. Section one was designed to gather general information on personal and organization profile of employees

and employer/management while section two consisted of questions on employee empowerment programs. The questionnaires were administered to the respondents through 'drop and pick later' method.

3.6 Data analysis

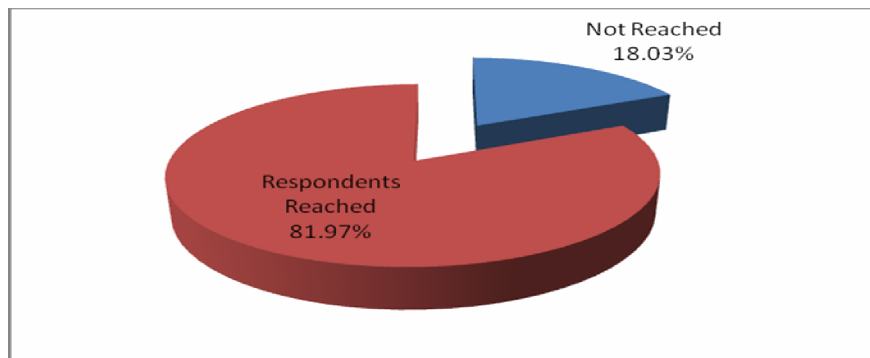
Data collected from the field was checked for consistency, completeness and usefulness. This entailed field edits data results validation and central editing. For qualitative, descriptive statistics percentages and frequencies were derived and used. In addition, mean and standard deviation were used alongside the frequencies for Likert items. Baker (1994) argues that descriptive statistics highlight features of a set of observation and do not support or falsify a relationship between two variables according to their numerical properties.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Response Rate

The study aimed at reaching 61 respondents. Out of these target respondents, 50 respondents completed and returned their questionnaires giving a response rate of 81.97%. Figure 4.0 below gives the graphical presentation of the responses. The response was representative and thus the findings in the study are an accurate representation of the salon industry in the service sector.

Figure 4.0: Respondents Reached



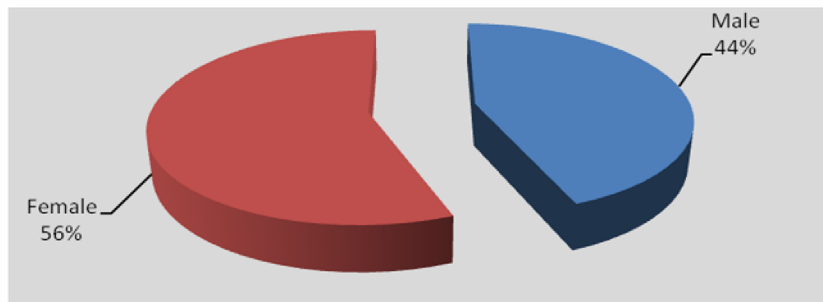
4.2 Demographic characteristics of the respondents

Demographic information was not only gathered based on the gender of the respondents but as well as their age bracket, marital status as well as their level of education. This is important in getting a balance of the target of the survey in order to avoid biased results.

4.2.1 Gender Distribution

The study was sensitive to the gender aspect in respect to the respondents' selection. 28 (56%) of the selected respondents were female while the remaining 22 (44%) were male. This indicates that most of the small and medium salons are run and managed by females. Gender of the respondents in the salons reached was considered to be important in comparing the level of empowerment as supported by both males and females.

Figure 4.1: Gender

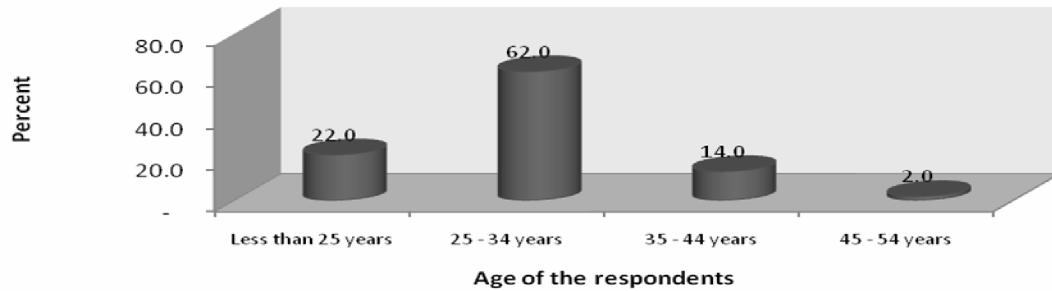


4.2.2 Age Distribution

31 (62%) of the respondents were aged between 25 – 34 years while 11 (22%) were less than 25 years. Findings also revealed that 7 (14%) were 35 – 44 years while only 1 (2%) was over 44 years of age. This implies that majority of small and medium sized salon employees are aged between 25 and 34 years. This also indicates that most of the respondents are mature and experienced in their vocation and they are in a position to appreciate a study of this nature. The upper age bracket of 35 years and above were a minority in number which also shows that there is a transition in the industry. This may be attributed to the fact that the work is manual and tiring and those in this age bracket

may have demanding domestic roles. They may also be salon business owners at this point in time.

Figure 4.2: Age Distribution



4.2.3 Marital Status

48% of the respondents were single, 46% married, 4% Divorced while the remaining 2% were widowed. This implies that majority of the employees/owners in the salons are single. The reason for this may be due to the fact that they are still young but as the years go by we note that this aspect changes. Moving on to the 25 to 34 years age bracket, we note that the number of those that are married increases and surpasses those that are single. As the employees move on to 35 years and over they either leave the industry totally or they transit to ownership status.

Table 4.1: Marital Status

Marital status of the respondent	Age bracket of the respondent				Total
	Less than 25 years	25 - 34 years	35 - 44 years	45 - 54 years	
Single	10	11	3	0	24
Married	1	18	3	1	23
Divorced	0	1	1	0	2
Widowed	0	1	0	0	1
Total	11	31	7	1	50

4.2.4 Education Levels

36 (72%) of the respondents had diploma/college certificate while 13 (26%) had only secondary certificate. The remaining respondents (2%), had informal education. This implies that majority of the employees/owners hold at least a college certificate. As the employees mature (Ages 25 years and above), they realize that the more they study, the more empowered they become. Of the 36 respondents who hold diploma certificates, the highest number falls in the 25 to 34 years category hence indicating that the levels of awareness have increased drastically.

Table 4.2: Level of Education

Highest level of education	Age bracket of the respondent				Total
	Less than 25 years	25 - 34 years	35 - 44 years	45 - 54 years	
Informal education	0	1	0	0	1
Secondary	3	5	4	1	13
Diploma/college	8	25	3	0	36
Total	11	31	7	1	50

4.2.5 Respondents Job Position

Majority (76%) of all the respondents were employees while owners/managers were 24%. This may indicate that most of the small and medium salons in Nairobi may be largely managed by the employees. Although this is not conclusive in this respect as the focus of the study was not on the management of the salons per se, it is indicative of a trend that the owners are not present at all times.

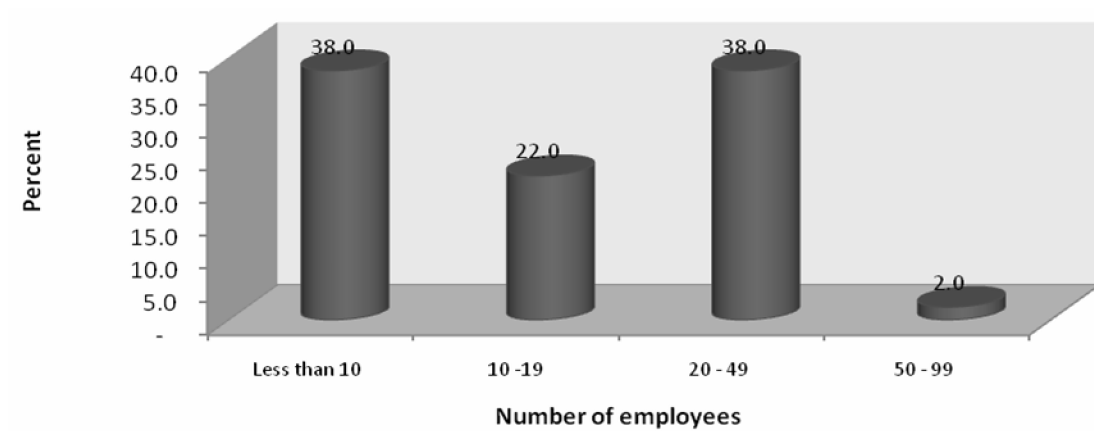
Table 4.2: Position of the respondent

	Frequency
Owner/managers	12
Employees	38
Total	50

4.2.6 Number of Employees in the Organization

19 (38%) of the respondents organizations had less than 10 employees. Another 19 (38%) had between 20 and 39 employees while 11 (22%) had 10 – 19 employees. Only 1 (2%) had at least 50 employees. This implies that, most of small and medium enterprises have at least 10 employees. The number of employees a small and medium organization has may strongly determine the hierarchical structure and thus the level of empowerment. Those organizations with higher numbers are bound to have more empowered employees due to the fact that they may also be earning more largely due to the clientele/size proportion and hence more access to opportunities like investments.

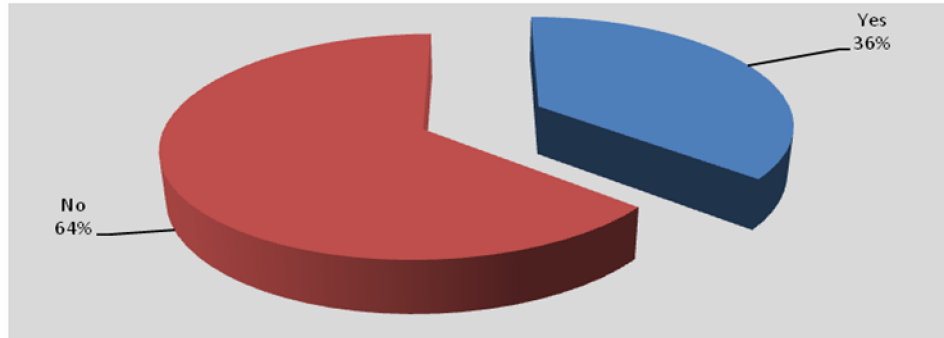
Figure 4.3: Current number of employees in the organization



4.2.7 Vision and Mission Statements

32 (64%) of the salons neither had a vision nor a mission statement hanged on the wall. Those with a vision and mission statement were only 18 (36%). This may imply that not many salon business owners consider this an important aspect of business. A statement of purpose, including mission and vision statements are imperative for an organization since it is through this statement that the organization achieves both its short term and long term objectives, including employees' empowerment. This is represented in figure 4.5 below.

Figure 4.4: Vision and Mission Statement



4.2.8 Policy Guideline on Employee Empowerment

Table 4.3 below presents response on whether there is a policy guideline on employee empowerment in respondent companies. 62% of all the respondents said ‘no’ while the remaining 38% said ‘yes’. This indicates that, there may be no policy guideline on employee empowerment in most of the small and medium salons in Nairobi Central Business District. Since these policies may not be displayed on the walls then the few that were available may be attributed to the fact that the respondents were the owners of the salons.

Table 4.3: Policy guideline on employee empowerment

Presence of Policy Guideline	Frequency
Yes	19
No	31
Total	50

4.3 Employee Empowerment Programs

4.3.1 Effective Communication

The results as presented by the table 4.4 below shows that, respondents agree that they were empowered by management through team-working with a mean of 4.4 and were fairly empowered through internal memos with a mean of 3.0. The respondents were less agreeable on empowerment through regular briefing sessions as indicated by the mean score of 2.5, distribution of management letters with a mean of 2.2 and availability of organization's newspapers, journals, periodicals with a mean of 2.0. Empowerment through suggestion boxes had the lowest score with a mean of 1.5.

Table 4.4: Effective Communication

Effective Communication	Mean
Management encourage team - working	4.4
Internal memo is given regularly	3.0
Regular briefing sessions are held regularly	2.5
Management letters are distributed regularly	2.2
Organization's newspaper, journal and periodicals are available	2.0
Notice boards is in place and in use	2.0
Suggestion box is in place	1.5

The results indicated that most employees were not so upbeat in that they were given limited chances to participate in both budget preparations execution with a mean score of 2.8. The results were even lower in regard to participation in sharing bonus and dividends of the organization as indicated by the mean score of 2.0.

The respondents agreed on being given greater discretion over their immediate work decision with a mean of 3.8. Respondents indicated strongly that they are trusted with the responsibility of managing the business in the absence of a manager with a mean of 3.4.

The business were well run with respondents stating that there are scheduled offs and annual leaves with a mean of 3.1. Worthy of note is the fact that there are channels of addressing grievances as indicated by the mean of 3.0. Apparently, when it comes to inclusion in the management meetings, the respondents indicated that this was not a very common practice as shown by the mean score of 2.9. Further results show that the respondents felt that reporting to work timings were not very flexible with a mean score of 2.6. Schedules for off-duties and annual leaves scored a low mean of 2.6 which would mean that the employees most probably have to make their own internal arrangements. There is little empowerment through trade unions either due to the low numbers of employees in an organization or due to lack of relevant information in the industry. This was evident through the low mean score of 1.8. The issue of overtime was seen as a farfetched dream to many as the low mean of 1.6 indicates. It is also not very practical in the industry to have employees working from their homes and hence the low mean score of 1.6.

Table 4.5: Financial participation Programs

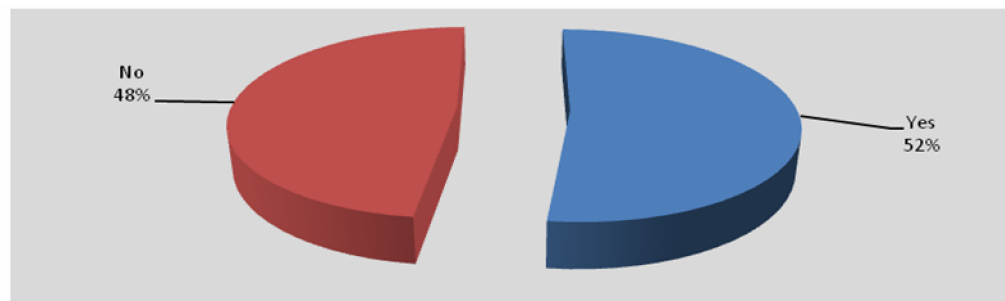
Financial Participation Programs	Mean
Employees are given chances in budget preparation and execution	2.8
Employees normally participate in sharing through bonus and dividends	2.0

Table 4.6: Representative Participation Programs

Representative Participation Programs	Mean
Employees are given greater discretion over their immediate work decision	3.8
In the absence of any manager, an employee is appointed to manage the business	3.4
Employees are scheduled for off - duties and annual leaves	3.1
Encouragement of informal group through which employees grievances are expressed	3.0
Inclusion of employee representative in the management meetings	2.9
Reporting time to work is flexible	2.6
There are well elaborated sick leaves and related schemes	2.6
Employee belong to a trade union	1.8
The organization do compensate for overtimes	1.6
The organization allows employees to work from home	1.6

As another form of empowerment respondents are able to air their views or talk freely with their employers. Opening channels of communication not only helps the business owners understand their employees but the customers as well. This is a good business growth indicator in that where communication channels are closed then employee turnover is high and customer retention is low. A high percentage of employees (52%) agreed that the channel of communication in their organization were open and therefore this would mean that the channels are adequate and convenient. Figure 4.6 below shows this trend with those who said no standing at 48%.

Figure 4.6 Conveniences and Adequacy of Channel of Communication



The small and medium size salon industry may not have much to offer in terms of success of employee empowerment due to the fact that there is limited investment. This affects this aspect of the business in that the services that customers may receive are limited and hence there may not be found any need to train the employees beyond what the employer can offer in terms of service to the customers. Any other form of empowerment may be initiated by the employee themselves either due to self motivation of a deep seated desire to succeed in life. From the results, most employees disagreed that there are employee empowerment programs in place in their organizations and if there were any, then they were anything but successful. The findings shows that those who saw this as a success were only 42% of the respondents.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary of the study

The objective of the study was to determine employee empowerment programs used by small and medium-sized salon enterprises in Nairobi Central Business District. The study employed cross-sectional descriptive survey where the population consisted of 607 small and medium salon businesses licensed with Single Business Permit (SBP) by the City Council of Nairobi. A sample of 69 salons was selected for the purpose of the study.

Considering the demographic characteristics of the respondents, the study established that a majority of the employees were females. The findings can be generalized on the female respondents. Regarding to the age of the respondent, majority of them were aged between the ages of 25-34 years. The age composition shows that most of the respondents were of middle age hence could appreciate the importance of the study.

In relation to the education level, the results showed that, majority of the respondents had attained diploma/college level of education. This implies that majority of the respondent had adequate skills to respond to the questions asked in the study. The study also found out that a higher percentage of those who run the salons were employees with very few owners running the businesses. The results of the study also indicated that most of the salons were small-sized enterprises

Regarding to employee empowerment programs by small and medium-sized salon enterprises in Nairobi Central Business District, respondents agreed that they were highly empowered through team working, fairly empowered through internal memos but neither agreed nor disagreed on empowerment through work flexibility, employee representation in management meetings, formation of informal groups for grievance resolution or schedules for off-duties and annual leaves. Respondents also disagreed that they were empowered through budget preparation, bonus and dividends sharing, overtime compensation, working from home or belonging to a trade union.

In relation to vision and mission statements, very few salon enterprises had a vision and mission statement or employee empowerment policy guideline. The results also showed that most of the respondents felt that the channel of communication was convenient while majority felt that employee empowerment programs were not successful in their organizations.

5.2 Conclusions

Generally, the study established that, though there are many employee empowerment programs stated on the theory, only few one commonly used by the small and medium sized salon enterprises within the Nairobi Central Business District. The commonly used empowerment programs are team-working and use of internal memos.

The study reveals that empowerment programs such as suggestion box and notice boards are rarely in place and where they are in place, they are not adequately used. Employees

are also not given chances in budget preparation and execution and rarely do they participate in sharing profits through bonus and dividends.

The study concludes that employee empowerment programs in most of the small and medium enterprises in Nairobi Central Business District are not successful and most salon enterprises need to have a vision and mission statement.

5.3 Recommendations

Since the mission and vision statements are imperative for an organization to achieve both its short term and long term objectives small and medium salons should put in place workable statement of purpose which would also contribute to employees' empowerment

Since most small and medium enterprises do not give their employees chances in budget preparation and execution, employee empowerment has become a challenge in these firms. In order to handle this problem, financial participation of employees through budget preparation, execution and monitoring should be encouraged by the salons.

To enable employee empowerment programs in small and medium enterprises in Nairobi be successful, the government through the Ministry of Labour should develop policies defining the minimum expectations on employees empowerment programmes as practiced by these firms. This should be clearly stated by the employers

Management in small and medium salons should specialize in planning and organizing work and workers should specialize in doing it and this can be done through job design and team-working

5.4 Limitations of the Study

Some respondents named some of the information sought as confidential and either deliberately declined to divulge or gave wrong information. The time for data collection was also not sufficient to allow respondents to give adequate and accurate answers to the information sought since they were at the same time carrying out their daily duties.

Most of the business owners were not available hence the response to the questionnaire was based mostly on employee's point of view.

5.5 Suggestions for further study

Based on the scope and limitations of this study, the following studies are suggested:

The study should be carried out in peri-urban areas to compare the level of employee empowerment in the two social set ups.

A replica of the study should also be performed on other sectors for comparative purpose such as construction and manufacturing sector.

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APPENDICES

Letter of introduction

Dear Sir/Madam,

RE: REQUEST FOR YOUR PARTICIPATION IN RESEARCH SURVEY

I am a post graduate student at the University of Nairobi pursuing a master of business administration (MBA) degree program. As part of the academic requirements I am undertaking management research project on “The adoption of Employee Empowerment programs by Small and Medium-Sized Salon Enterprises in Nairobi Central Business District.

I kindly request you to spare some of your time and fill for me the attached questionnaire, answering them as accurately and honestly as possible. The information you provide will be treated with utmost confidentiality, and will be used solely for this research. If you wish, the findings of the research will be forwarded to you to assist in carrying out your business duties.

Upon completion of the questionnaire, kindly enclose it in the envelope provided. If you have any question for further clarification, do not hesitate to contact me on 0721924508
Your cooperation will be highly appreciated. Thank you.

Yours sincerely,

Monica Lisi
MBA student
University of Nairobi

Questionnaire

PART A: DEMOGRAPHIC INFORMATION

1. What is your gender? Male Female
2. Indicate your age bracket
 Less than 25 years 45 – 54 years
 25 – 34 years 55 years and above
 35 – 44 years
3. Indicate your marital; status
 Single Separated
 Married Widowed
 Divorced
 Any other (specify) _____
4. What is your highest level of education?
 Informal education Diploma/college
 Primary University
 Secondary
 Any other (specify) _____
5. Indicate your position _____
6. What is the current number of employees in the organization?
 Less than 10 years 50 – 99 employees
 10 – 19 employees 100 employees and above
 20 – 49 employees
 Any other (specify) _____
7. Does your company have a vision and mission statement?
 Yes No
8. Is there a policy guideline on employee empowerment in your company?
 Yes No

PART B: EMPLOYEE EMPOWERMENT PROGRAMS ADOPTED BY SMALL AND MEDIUM-SIZED SALON ENTERPRISES

To what extent do you use the following strategies as employee’s empowerment programs in your organization? You will be guided by the following scale

1. Strongly disagree
2. Disagree
3. Agree
4. Strongly agree
5. Very strongly agree

Please tick the appropriate box

Program	1	2	3	4	5
Effective communication					
9. Internal Memo is given regularly					
10. Regular briefing sessions are held regularly					
11. Organization’s newspaper, journals and periodicals are available					
12. Suggestion box is in place					
13. Management letters are distributed regularly					
14. Notice boards is in place and in use					
15. Management encourages team-working					
Any other (specify)					
Financial participation through the share of dividend, profit and bonus at certain intervals					
16. Employees normally participate in profit sharing through bonus and dividends					
17. Employees are given chances in budget preparation and execution					
Any other (specify)					
Representative participation					
18. Encouragement of informal group through which employees’ grievances are expressed					

19. Employees belong to a trade union					
20. Inclusion of employee representative in the management meetings					
21. In the absence of any manager, an employee is appointed to manage the business					
22. Employees are given greater discretion over their immediate work decision					
Any other (specify)					
Flexible work schedule					
23. Employees are scheduled for off-duties and annual leaves					
24. There are well elaborated sick leaves and related schemes					
25. The organization do compensate for overtimes					
26. Reporting time to work is flexible					
27. The organization allows employees to work from home					
Any other (specify)					

28. Do you consider the channel of communication in your company convenient and adequate?

Yes [] No []

29. If no, explain

30. In your own view, do you consider employee empowerment programs in your company a success?

Yes [] No []

Thank you.

Raw Data

Effective communication

	Strongly disagree	Disagree	Agree	Strongly agree	Very strongly agree
Internal memo is given regularly	28	8	26	16	22
Regular briefing sessions are held regularly	38	10	30	12	10
Organization's newspaper, journal and periodicals are available	52	26	6	4	12
Suggestion box is in place	70	18	6	2	4
Management letters are distributed regularly	48	16	22	0	14
Notice boards is in place and in use	52	26	6	4	12
Management encourage team - working	2	6	12	12	68

Financial participation through the share of dividend, profit and bonus at certain intervals

	Strongly disagree	Disagree	Agree	Strongly agree	Very strongly agree
Employees normally participate in sharing through bonus and dividends	38	38	18	0	6
Employees are given chances in budget preparation and execution	20	18	36	18	8

Representative participation

	Strongly disagree	Disagree	Agree	Strongly agree	Very strongly agree
Encouragement of informal group through which employees grievances are expressed	24	10	30	18	18
Employee belong to a trade union	54	28	10	4	4
Inclusion of employee representative in the management meetings	24	18	22	18	18
In the absence of any manager, an employee is appointed to manage the business	20	16	14	8	42
Employees are given greater discretion over their immediate work decision	10	8	26	0	56
Employees are scheduled for off - duties and annual leaves	12	12	46	10	20
There are well elaborated sick leaves and related schemes	26	16	40	10	8
The organization do compensate for overtimes	68	18	6	4	4
Reporting time to work is flexible	38	10	28	6	18
The organization allows employees to work from home	72	12	6	4	6