THE INFLUENCE OF PERFORMANCE MANAGEMENT ON JOB SATISFACTION AT SAROVA HOTELS IN NAIROBI

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DECLARATION

This research project is my original work and has not been presented for award of any degree in any University.

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D61/65681/2013

This project has been submitted for examination with my approval as University of Nairobi supervisor.

Signature_____________________                        Date: ______________________

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School of Business,
University of Nairobi.
DEDICATION

To my late father Zaphaniah Akunga Maaka. His words of inspiration and encouragement in pursuit of excellence, still linger on.
ACKNOWLEDGEMENT

I give God all the glory for giving me the strength, knowledge and wisdom to start and complete this project successfully.

Many thanks to my supervisor Dr. Mercy Munjuri for her devotion at every stage of this project and for her interest in providing consistent guidance throughout the course of this project. It was because of her inspiration that I was able to gain the drive to face any challenges during the research project.

I would like to acknowledge the encouragement I got from my friends and fellow classmates to whom I shared this journey with. Many thanks to the respondents of the Sarova Hotels in Nairobi (Sarova Panafric and the Sarova Stanley) who completed the research questionnaire that provided valuable information that was used for this study.

I extend my gratitude to my siblings Cruz, Amon, Boaz and David for their unwavering support throughout this project. Agutta thanks, without you things would have been much harder. Finally my special thanks goes to my loving mother Alice Akunga for her Prayers, encouragement and for always believing in me.
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ABSTRACT

The purpose of the study was to determine the influence of performance management on job satisfaction at Sarova hotels in Nairobi. The objective of the study was to find out how performance management influences job satisfaction. The study was meant to benefit the management of Sarova hotels, Human Resource Practitioners from other institutions, policy makers, future scholars and other stakeholders. A descriptive research design was used for the study and data on demographic, performance management and job satisfaction was collected using questionnaires. 112 respondents received the questionnaires, 72 participated but 12 were not able to fully answer the questionnaire. Data was collected and analysis was done using descriptive and inferential statistics. Findings indicated that employees neither agreed nor disagreed if performance management initiatives which are planning, measuring performance, performance review were present in the organization although they disagreed that rewarding performance was present in the organization. The findings also indicated that employees neither agreed nor disagreed if the determinants of job satisfaction which involves promotion, supervision, work itself, co-worker and pay were present in the organization. The study concluded that it was significant for a company to plan, review, measure and reward performance. The study recommends that any changes made should be communicated early and employee’s duties and responsibilities should be clearly made know in order to ensure employees perform their duties effectively. Further, the researcher recommends that performance should be measured to ensure a positive feedback is provided for any good performance. Employees should also be rewarded fairly such that reward should match employee’s effort. The study suggests that similar studies should be done across all the sarova hotels located in other regions. Also this study should be done in other sectors in order to compare variation in responses.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Performance Management as the core of today’s management and organization research theory primarily is oriented at employees as pillars in generating new value in the organization. It is a very critical exercise both for the employees and the employers with the primary goal of improving employee performance (Ghorpade & Chen, 1995). The outcomes of employees performance management are, among others; employee retention, employee commitment and employee motivation. Employee satisfaction is the outcome of employee performance management (Pauwe, 2004). Committed employees are more likely to perform well and are highly motivated to work in the best way they can (Liou, 2008).

Van Wyk (2003) workers responsibility relies on how much employees feel important and their expectation that their needs will be fulfilled if they are dedicated to organization development and growth. The degree to which employees would want to confer relies upon their trust and feeling of importance in the organization and this sentiments of trust and importance enhances performance of employees (Kuvaas, 2007). An efficient performance management system is relevant for motivating employees in order to improve on performance, reasons being it must be seen as a factor to enhance on workers motivation for better performers (Cokins, 2009).

Porter Lawler (1969) expectancy theory emphasizes why organizations need to relate rewards with performance and why there is need for them to see to it that rewards awarded should match effort of a worker. The determinants of performance are effort, abilities, traits and perception regarding your position (Moorhead and griffen, 1999).
An important need will be satisfied by a reward as a result of good performance hence making the effort worthwhile.

Social Exchange theory, posited by Hormans in Social Behavior as Exchange explains the dynamic relationship by observing how behavior is traded. It examines the communication between two individuals by scrutinizing the cost involved and the benefits. The main reason for having this theory is that it presumes that individuals involved are both exchanging items of significant worth from each other, this is called reciprocity. Communication is likely to continue if there is a positive amount of profit by parties’ involved (Chadwick jones 1976). The more individuals are satisfied in their job, the more likely their performance will be improved hence there is need to recognize those needs that are unsatisfied and fulfilling such needs will improve on employee performance.

Hotels have contributed to the growth of the hospitality and tourism sectors of the economy. The tourism and hospitality industry have vast and endless opportunities for both urban and rural areas which when utilized will not only create jobs but also completely eliminate unemployment in Kenya. The development of the hospitality industry has created jobs and immeasurable wealth to all other industries like; food and agriculture, Energy building and construction, roads and transport, health, water resources, Fashion and design among others. Hotel industry is Kenya’s fastest growing industry, with increased volume of travel into the country’s tourism attraction destinations (www.ktf.co.ke). For successful hospitality in organizations quality management has become an important technique. By concentrating on employee satisfaction as well as customer service, the hotel industry will be able to provide excellent customer service. Understanding employees work values may enable the hotel industry to develop motivational strategies that improve job structure,
working condition and development of new policy that may satisfy the needs of workers (Gursoya, Geng-Qing Chi & Karadag, 2013). In the twenty-first century, creativity is considered as a vital factor in the development process in hospitality (Wong and Pang, 2003). Main source of motivation would be previous studies that have shown little scholarly attention on the influence of performance management on job satisfaction especially at Sarova hotels in Nairobi.

1.1.1 Performance Management

Performance management is a process for enhancing performance in the organization through developing individual and group performance. It is a way of getting preferred outcome by apprehending and ensuring performance is within the agreed framework. It is about putting together the objectives of the organization and that of an individual and ensuring that they are in line with the co-values of the organization. The aim is to advance the ability of people to attain and surpass expectation in order to accomplish what they can to benefit both the individual and the organization (Armstrong, 2009).

According to Aguinis (2007) performance management is connected with knowing the strength, weaknesses and development of an individual. Performance management provides the means through which managers can surpass and enhance the abrupt alteration for all organizations (Cokins, 2004). (Aguinis, 2007).

Business performance management comprises of management and analytical undertaking that allows performance in an organization to be managed well in order to achieve set objectives. Since 1992 the rise of the balanced scorecard framework has had a major impact on business performance. It is usual for managers to utilize the framework for balanced scorecard to confirm organization objectives, in order to find
a way of tracking them. Further, it involves data collection, querying, data analysis and putting the results into practice, (Frolick, 2006).

Performance management links strategies of the organization and the results (Bhatia, 2006). Through performance management decisions can be made regarding future goals of a worker. Information regarding pay, performance feedback, plans on compensation and the weaknesses and strength of a worker. The objective of managing performance is based on making decisions with regards to administration, developmental, information, organizational maintenance, and documentation.

1.1.2 Job Satisfaction

Job satisfaction is the mental and emotional state of an individual and their feelings towards work. These are attitudes and feelings regarding various extrinsic and intrinsic factors regarding a job and where they perform this job (Opkara, 2002). He further stated that job satisfaction comes about due to factors such as promotion, pay, supervision, co-worker interaction, work itself, and the chances of promotion. According to Simatwa (2011) job satisfaction are features that are well connected such that an individual’s need is fulfilled in a work situation.

Job satisfaction is responses that are affective to aspects of the situation at work (Brief and Weiss, 2002). He states that experience on the tasks and job satisfaction can be measured using the reports from employee’s regarding their feelings towards a job. In job satisfaction there is a component referred to as cognitive component (Organ & Near, 1985). It comprises beliefs and judgment while affective component involves how individuals feel and their emotions at hand regarding work.

Job satisfaction has been researched extensively in organization behavior. (Bahadur and Gurpreet, 2007; Al and Hussami, 2008). Job satisfaction has become a point of
concern by various persons in the industry (Cranny, Smith, 1992). Judge, Hanisch, and Drankoski, (1995) supports the submission of Cranny et al., by advising that it is necessary that factors that affect employees are addressed before hand in the organization. Job satisfaction as a point of scientific researches during the Hawthorne studies in 20th centuries; Glenn Basset (2004) proposed that satisfied workers are productive workers. Bashayreh (2007) Job satisfaction is an optimistic feeling caused by job evaluation or job experiences.

1.1.3 Sarova Group of Hotels

The Sarova Group of Hotels is a well-known brand in the hospitality industry in East Africa which has been operational in the industry since 1974; it is also one of the most ingenious groups of hotels offering clients all round experiences which include sports, game drives, health and wellness centers and cultural as well as up to date entertainment. Sarova Hotels currently has eight prestigious properties in key locations across Kenya they include; Sarova Stanley, Sarova Panafric, Sarova Taita Hills, Sarova White sands, Sarova Salt Lick, Sarova Mara, Sarova Lion Hill, and Sarova Shaba Game Lodge. The Hotel Ambassador Nairobi became the first Sarova Hotel in Kenya but it’s not part of the group anymore. In 1976, Sarova white sands on the northern coast of Mombasa is known to be the second Sarova property. In 1978 the Sarova Stanley was opened, previously referred to as the New Stanley Hotel which was renovated and completed in 1998. These renovations restored the hotel to its former Victorian grandeur and helped it regain its place as Nairobi’s leading five-star hotel. Sarova Mara was opened in 1984. In 1986, Sarova Lion Hill Lodge joined the Sarova group which was opened in 1989. In 1992, Sarova hotels purchased the Panafric hotel, another Nairobi landmark. Sarova Saltlick and Sarova Taita Hills game Lodges are the latest two properties to be added to the Sarova Hotels portfolio.
Sarova Hotels took over the management of the two lodges on 1st April 2007. The two are situated at the 28,000 acre private wildlife sanctuary within the Taita Hills which forms part of the greater Tsavo ecosystem (Sarova Hotels, 2015).

Their vision to be preferred hospitality organization is supported in the corporate culture of Sarova Hotels and it is clear on all the Sarova properties service standards. Sarova Hotels has put accentuation on having productive employees by offering workers a challenging and dynamic work environment which nurtures individual and professional growth (www.Sarovahotels.com). Competition has increased in the recent years with new modern hotels coming up and buildings with the current state of art but what has made Sarova group to stand out is the service offered by its diverse employees (Sarova Spotlight Magazine: March to June 2013). Sarova Hotels Corporate Social Responsibility focus is governed by three pillars namely, Education, Environment and Health (Sarova Hotels Employee Handbook, 2007).
1.2 Research Problem

According to (Rao, 2000) high production opportunities are as a results of satisfied employees (Jain and Triandis, 1990) Job satisfaction results in high performance which leads to high production. Performance management is vital as it helps ensure that the focus of all employees is to achieve organization mission, goals and objectives. The performance of an organization is most often measured by growth. Loyalty is the outcome of satisfied employees Cascio (2005). However what makes an employee satisfied is still at question. Many factors such as their satisfaction off work, Social satisfaction and rewards are only a few. The demand for trained and highly skilled employees results in high productivity in an organization which is measured in terms of workers performance (Currall et al., 2005).

Sarova Hotels has taken various strategies to enhance Performance management among employees in the industry by developing strategies through; achieving high level of quality service delivery, marketing niche, branding, low cost pricing and exclusive customer care. Sarova Hotels have been compelled to adapt to strategies that will enable them to be different in the in the industry and respond strategically to the rapid changes in external business environment. This has provided the chance for managers to posit targets and ensure understanding of organization goals and objectives. The organization has been able to set up seminars on issues about performance and has ensured that Sarova hotels staff know the principles of performance management, receive training on the same, take corrective action and obtain support from higher level management (Sarova Masaa Times, 2014).

Several studies have been done on the influence of performance management on job satisfaction. Kamau (2007) investigated the relationship between Job satisfaction and
employee performance; the study assessed the level of job satisfaction by the supervisors working in Sarova Group of hotels. The study shows a positive relationship between job satisfaction among supervisors and employee performance. Formulation of policies, compensation, good working environment and career advancements are factors that influence the performance of employees. The research was narrow as it was limited to supervisors at Sarova group of hotels.

Bahani (2013) studied the relationship between job satisfaction and Performance management in Malaysian electronic organization, results showed significant positive relationships on the various factors of job satisfaction and performance management. The findings were in accordance with previous researches. However his research was covering the manufacturing electrical industry and not hotel industry hence his conclusion may not be similar with the current the study. Alison (2008) wanted to examine whether the relationship between job satisfaction and performance management was spurious, findings indicated it was partly spurious. He also looked at the theoretical model that contained factors involved in the level of spuriousness. The objective was to find out if the model fit the data. The outcome was that the model fit well and is consequently a fitting representation of the relationships among the variables.

Multiple models of this relationship have been suggested before but they do not clearly explain the influence that performance management has on job satisfaction especially at Sarova hotels in Nairobi. Therefore, it is not in dispute that there exists a knowledge gap and this is an area worth further research, a research that would unearth the exact nature of this relationship. The study attempts to answer the question, what is the influence of performance management on job satisfaction at
Sarova hotels in Nairobi?

1.3 Research Objective

To establish the influence of performance management on job satisfaction at Sarova Hotels in Nairobi.

1.4 Value of the Study

The study is beneficial to the management of Sarova hotels in Nairobi, as it will help improve on employee performance management in future and increase levels of job satisfaction in the hotel industry. Human Resource Practitioners from other organizations would benefit through provision of information that will assist in understanding the employee and the management role in ensuring Job satisfaction, this can be done though providing a framework by which this can be incorporated.

The study would benefit policy makers through selecting a relevant set of performance indicator and conducting systematic performance evaluations of the organization. This will be used to analyze organizations achievements and help determine the level of job satisfaction among employees in order to identify areas of improvement that will result in achieving strategic and operational results.

Existing literature would benefit from the study as it will form part of reference materials for literature review for future scholars and other stakeholders. This will fill in the existing gaps in terms of literature and also form a basis for further studies in job satisfaction, performance management initiatives and how these aspects affect outcomes of work.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

A theoretical foundation for the research is built in this chapter through a thorough review of the existing literature on the influence of performance management on job satisfaction. The chapter provides the conceptual framework and the research gap that shows the relationship between the variables of the study.

2.2 Theoretical Foundation


2.2.1 Social Exchange Theory

George Casper Homans an American Sociologist describes Social exchange as an exchange of activity, between at least two people (Homans, 1961). This is a rational theoretical framework to study interpersonal activities in social relationships. The pattern of the theory which borrows from, sociology, psychology, behavioral and classical economics looks to clarify the advancement, sustaining and decay of exchange relationships.

(Blau, 1964) Costs repress or dissuade a performance of an arrangement of conducts in a relationship, this can involve punishment experienced or rewards relinquished as a result of being involved in one behaviour or the other. Social exchange theory has received expanded consideration in organizational research context as it argues that when one individual gives the other a reward there is expectation for the same to be done to the individual in future (Bernerth and Walker, 2009). According to social exchange theory as people interact over a certain period of time they feel obligated to
reciprocate the assistance previously provided by the other person (Blau, 1983; Gouldner, 1960).

Beham (2011) and Korsgaard et al. (2010) concur that employees will not deviate from the social exchange theory because when a good working condition is provided by the employer, employees seem to be satisfied hence employee commitment and improved performance in the organization (Zafirovski, 2005).

2.2.2 Porter Lawler (1969) Expectancy Theory

The Porter Lawler model was developed by Porter and Lawler III (1967). It was a development of Vroom's Expectancy theory. In their model, Porter and Lawler investigated the relationship between motivation, performance, and satisfaction. They found out that effort made by an individual employee did not directly result in performance. The theory explains that performance in any organization is dependent on: the employee’s willingness to perform a task, their knowledge on the job requirements, their capability and skill to perform a job successfully and their ability to have a clear perception of their role in the organization. Porter and Lawler (1969) argued that satisfaction is a result of effort and increase in expectation of performance result from increase in satisfaction from performance. An important element in the porter Lawler model is the additivity of extrinsic and intrinsic reward. An employee may experience extrinsic reward (pay) and intrinsic reward (satisfaction, competence) for his work performance.

Hamner and Foster (1975) have supported this element with results that showed that the effects of extrinsic and intrinsic reward have led to increase in performance. Basically the relationship between extrinsic reward and satisfaction is that as pay increases so does satisfaction. Since extrinsic reward is administered by another
person other than the one receiving it, the perceived link between reward and performance is important. Having the relationship strong between performance and extrinsic reward the outcome would be positive relationship between performance and satisfaction. Cherrington, Reitz and Scott (1971) reached the same conclusion with regards to the findings that indicated a positive correlation between performance and satisfaction. Intrinsic rewards are tied to performance since they are administered by the individual himself. Therefore for intrinsic reward the relationship between performance and job satisfaction is usually positive.

Porter Lawler model stresses the need for organizations to relate rewards directly to performance. Porter model considers performance as it provides an interesting insight into the relationship between performance management and job satisfaction (Moorhead and Griffin, 2010). Porter’s model recognizes that job satisfaction is more dependent on performance management than performance management is on job satisfaction.
Figure 2.1. Adapted from Porter and Lawler (Porter, III 1968) and (Hein, 2009)
2.3 Performance Management Systems

Performance management systems have been a critical issue for most organizations. There are three categories involved; developing and planning performance, managing and reviewing performance appraisal and rewarding performance.

2.3.1 Developing and Performance Planning

The most vital step in a performance management system is this as it offers the foundation of an effective system. The objective of planning performance is to guarantee that the objectives meaning, standards in performance and the proficiency as applied in the day to day work is understood. Armstrong and Baron (2004), depicts goals as something that will be accomplished, he further states that objectives need to be well explained and agreed on. Rogers and Hunter (1991) expressed, setting up goals as the basic facet of an organization. This stage forms the basis of performance appraisal during which the target and the key performance areas are established.

2.3.2 Managing and Reviewing Performance Appraisal

According to Schneier et al., (1987) workers are in charge of dealing with their work performance. Armstrong and Baron (2004) Performance management system ought to guarantee managers to comprehend that which is expected from them and have the skills that are required and capacities to meet expectation. Performance reviews can be viewed as learning events, further, performance result is assessed and an advancement plan is set in light of the shortcoming. Training and coaching are very important tools in the process of learning and also in development, coaching involves developing an individual’s knowledge and skills so as to improve on performance management of employees. Managers should be able to recognize and actualize training and the different activities important to enhance on the performance of an
individual (Bevan and Thompson, 1991). Trainings offered by various organizations are designed in a way that puts into consideration the needs of the organization.

### 2.3.3 Rewarding Performance

This stage involves self-awareness, linking pay to performance and distinguishing the outcomes or performance. Self-improvement has principles which incorporate; personal involvement, this implies that when an individual becomes personally involved development of activities seem to be successful. When an individual ability is expanded more value is created and therefore a feeling of satisfaction is accomplished. Mutual objective involves getting to know the organization and individual objectives and clearly understand this objective. Thirdly individual planning should be in away that fits the individual and the circumstance Rahderts (1960). Training and development and providing performance feedback on a regular basis are vital factors in skill retention therefore this should be aligned with overall organization goals Teke (2002). According to Locke (2004) pay for performance involve provision of monitory rewards through a careful compensation system that has been designed in a way that base pay on performance measurement.

Townley (1989) appraisal is a way of exercising control in management. The aim of this process is to conduct an analysis on causes of gaps in performance and how to conquer this. Evaluation can focus on behavior or results. Behavior based appraisal focuses on an individual behavior that is required to perform the work effectively, while results oriented focuses on the outcome of those practices Delery and Doty (1996).

### 2.4 Determinants of Job Satisfaction

The idea of job satisfaction is extremely confounded and contentious. Previously determinants of job satisfaction have been discovered by various researchers they
include; promotion, work itself, pay, supervision and relationships with co-workers (Opkara, 2002).

2.4.1 Promotion

If organizations want to improve employee performance and increase job satisfaction, promotional opportunities given to employees should be fair (Park et al., 2003). Promotion has given the chance to self-awareness, increased responsibilities and increment in the economic well being of a person. According to Nzuve (2007) promotion is a change of assignment from a lower graded job to a higher graded job within the organization. Nzuve (2007) sees promotion as having employees pay increased and status improved. (Nguyen et al., 2003) in his study presumed that job satisfaction is the outcome of promotion opportunities in the organization.

2.4.2 Supervision

Bruce and Blackburn (1992) asserted that job satisfaction is subject to supervisors in the organization. When a workers job is approved by the supervisor, they normally tend to feel more satisfied. Vroom (1982), suggested that there is an affirmation showing that satisfaction is connected to what employees feel is received from supervisors. Buckingham & Coffman in Break All the Rules, (1999) inferred that the capable employee may join an organization for a couple of reasons, but how long that employee is there and how productive the company is dictated by the relationship with supervisor.

2.4.3 Work itself

Robbins et al. (2003) alludes, it’s the degree to which the work gives an individual invigorating undertakings, open doors for learning, self-improvement and the opportunity to be capable and responsible for results. As indicated by Oxford learner’s word reference (2016), work is characterized as doing some work or undertaking. The
work itself likewise alludes to the workplace of the worker and their observation about the job itself that they are in charge of. Jobs coordinated with abilities and those which are rationally empowering are enjoyed by the employees (Robbins, 1993). Ting (1997) and Locke (1995) concentrated on that work itself has decidedly connected with employee’s satisfaction. Gruneberg (1979) jobs which are deskill and need assortment do not satisfy to maximum capacity than are jobs which consider the capacities of individuals to develop. Gruneberg affirmed that the qualities of the job itself are the significant factors in deciding job satisfaction.

### 2.4.4 Co-workers

Enthusiasm for co-workers has been elevated because of differences in the work put and a developing focus on group forms of work in the organization (Hodson, 1997). Macmillan lexicon (2016) characterizes co-workers as somebody who works with you and has a comparative position. In a situation where co-worker support is high employees can talk about thoughts all the more straightforwardly and genuinely and the relationship to job satisfaction is positive (Fass, Bishop and Glissmeyer, 2007). (Lindorff (2001) demonstrates that assistance from fellow employees is appropriate in working organization problems and can alleviate stress at work, as a result of these sentiments of being valued and encountering less stress, employees feel more happy with their job and are less disposed to quit the organization (Levy, 2006).

### 2.4.5 Pay

Out of these factors pay is a very important factor. Here contentment with regard to the job is of main concern. Pay level on job satisfaction is well settled by researchers (Herzberg, Mausner, Peterson, & Capwell, 1957). It has also been conceptualized that satisfaction is an outcome of increased pay (Beutell & Wittig-Berman, 1999; Igalens and Roussel, 1999).
2.5 Performance Management and Job Satisfaction

Mallaiah (2008) examined performance management and job satisfaction of professions in the university library of Karnataka. The study collected data from 188 library professionals. The paper concluded that the conducive and the congenial physical, social and psychological conditions that were present in the work place had potential to improve on job satisfaction of the library professionals this was an indication that the relationship is significant and that the two variables (performance management and Job satisfaction) are associated.

Jaksic1 and Jaksic2 (2013) studied the relationship between performance management and job satisfaction in a very large Serbian public organization with a complex structure of over 1,500 organizational units and more than 15,000 workers. Results showed correlation between performance management and job satisfaction.

Qamar and Baloch (2011) explored a similar investigation on job satisfaction and performance Management between public and private sector hospital of Peshawar with a sample size of 113 doctors, 59 working in the public hospital and 54 working in the private hospitals. The outcome demonstrated that there was a positive relationship between job satisfaction measurements (promotion, pay, and work itself, and co-worker, supervision) and performance Management.

Edwards et al. (2008) examined the relationship between aspects of job satisfaction, task and contextual performance management of employees with a sample of 444 respondents working in a large manufacturing plant in southeastern Texas in the United States and held a variety of jobs. The outcomes demonstrated that there was a positive relationship between performance management and Job Satisfaction.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction
The chapter presents the research methodology that will be used to carry out the study. The research design, Population, sample design, data collection procedure and data analysis, presentation and interpretation are well described.

3.2 Research Design
Descriptive research design was adopted for the study. Descriptive survey design was chosen because the objective of the study was to describe, explain and validate generalizable findings.

3.3 Target Population
This study focused on Sarova hotels in Nairobi and the target population was all employees of Sarova Stanley hotel and the Sarova Panafric hotel who are five hundred and sixty four in total (564).

Table 3.1 Target Population

<table>
<thead>
<tr>
<th>SAROVA HOTEL UNITS IN NAIROBI</th>
<th>CATEGORIES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top Management</td>
</tr>
<tr>
<td>Sarova Panafric</td>
<td>40</td>
</tr>
<tr>
<td>Sarova Stanley</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
</tr>
</tbody>
</table>

Source: Sarova Hotels Nairobi, EPR (2016)
3.4 Sample Design

Stratified random sampling technique produced a representative sample because the population was not homogeneous. A sample of 112 was chosen from a population of 564 this was 20% of the total population.

Table 3.2 Sample Determination

<table>
<thead>
<tr>
<th>Strata</th>
<th>Population</th>
<th>Sample size (20% of population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>80</td>
<td>16</td>
</tr>
<tr>
<td>Supervisory</td>
<td>56</td>
<td>11</td>
</tr>
<tr>
<td>Junior</td>
<td>428</td>
<td>85</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>564</strong></td>
<td><strong>112</strong></td>
</tr>
</tbody>
</table>

3.5 Data Collection

Primary data was gathered using the drop and collect self-administered questionnaire. Section A contained questions on demographic data; section B contained questions on performance management while section C contained questions on job satisfaction. The questionnaire was administered through drop and pick later method.

3.6 Data Analysis

The data collected from this study was analyzed using descriptive and inferential statistics. Descriptive statistics such as frequencies mean and percentages were used to analyze data. Regression analysis was done to establish the influence of performance management on job satisfaction. Results were presented in form of tables.
Regression Model

The model specifically took the form of

\[ Y = \beta_0 + \beta x + \varepsilon \]

Where;

Y = Job satisfaction

\( \beta_0 \) = Constant

X = Performance management

\( \varepsilon \) = Random Error Term
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

The chapter presents the analysis, interpretation and discussion of findings on the influence of performance management on job satisfaction at Sarova Hotels in Nairobi.

4.2 Response Rate

The respondents were employees of Sarova Hotels in Nairobi. Out of 112 questionnaires, 72 questionnaires were returned duly filled. However 12 questionnaires had to be disregarded for analysis as they were not fully filled. This represented 54% response rate.

4.3 Demographic Data

This part sought data on the respondents gender balance, job category, age, years of service and academic qualification. This data was important because all the said subsets of demographic data have an impact on the influence of performance management on Job satisfaction.

4.3.1 Gender Response

Data collected was from both male and female respondents. Gender distribution in the organization was sought for the purpose of balancing on responses for the study.

Table 4.1: Gender Response

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>34</td>
<td>57%</td>
</tr>
<tr>
<td>Male</td>
<td>26</td>
<td>43%</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Author, 2016
The findings in table 4.1 on gender distribution among the respondents showed that 57% were females while 43% were males. Although females were more than the male respondents the difference was insignificant and therefore the study was not gender biased.

4.3.2 Job Category

Data was collected based on the designation of the sampled employees. This was important since at different levels of the organization employees perception on the influence of performance management on Job satisfaction was different.

Table 4.2: Job Category

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>27</td>
<td>45%</td>
</tr>
<tr>
<td>Supervisory</td>
<td>20</td>
<td>33%</td>
</tr>
<tr>
<td>Junior</td>
<td>13</td>
<td>22%</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author, 2016

According to table 4.2 above most of the respondents were top management with 45%. This was followed with supervisors with 33% and the least of the respondents were junior employees with 22%. This was an indication that most of the information was from the top management who were well positioned for the information.

4.3.3 Age of the Respondents

Data was collected based on the age of the respondents. The intention was to know the suitability of the respondents to the study. This was important because employees perception on the influence of performance management on Job satisfaction was different based on their age.
Table 4.3: Age of the Respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-25</td>
<td>8</td>
<td>13%</td>
</tr>
<tr>
<td>26-35</td>
<td>28</td>
<td>47%</td>
</tr>
<tr>
<td>36-45</td>
<td>15</td>
<td>25%</td>
</tr>
<tr>
<td>46-55</td>
<td>9</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Author, 2016

The study in table 4.3 above shows that 47% of the respondents were aged between 26-35 years which is the highest percentage. This was followed by 25% of the respondents who were aged between 36-45 years, and then respondents with 46-55 years had 15%. The least of the representation was aged between 15-25 years which had 13%. Results showed majority of the respondents were aged between 26-35 years.

4.3.4 Length of Service

Data on the length of service of the respondents in their current department was collected. The information focused on testing the work experience of the respondents and the objective of the study which is to determine the influence of performance management on Job satisfaction at Sarova hotels in Nairobi.

Table 4.4: Length of service

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td>1-5 years</td>
<td>18</td>
<td>30%</td>
</tr>
<tr>
<td>6-10 years</td>
<td>24</td>
<td>40%</td>
</tr>
<tr>
<td>more than 10 years</td>
<td>16</td>
<td>27%</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Author, 2016
The findings in table 4.4 above indicates that most of the respondents had worked at the organization between 6-10 years and constituted a rate of 40%, followed by 30% who had worked between 1-5 years, 27% of the population had been in employment for more than 10 years and the least of the respondents who had worked in the organization for less than a year were 3%.

4.3.5 Level of Education
Data was collected based on the highest level of education qualification; this was done to establish the respondents highest Level of education because not all employees have the same education qualification. This will help gauge employees suitability in terms of knowledge into the study.

Table 4.5: Length of Education

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary</td>
<td>8</td>
<td>13%</td>
</tr>
<tr>
<td>College Diploma</td>
<td>22</td>
<td>37%</td>
</tr>
<tr>
<td>University Degree</td>
<td>18</td>
<td>30%</td>
</tr>
<tr>
<td>Master’s Degree</td>
<td>10</td>
<td>17%</td>
</tr>
<tr>
<td>P.H.D</td>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Author, 2016

4.4 Performance Management
The various factors that contribute to performance management were analyzed. The mean and standard deviation were calculated as below. The respondents were asked to indicate the agreement level using a Likert scale of 1-5 where 1 is strongly agree, 2 is agree, 3 is neither agree nor disagree, 4 is disagree, 5 is strongly disagree. In order to interpret the score, mean score of < 1.5 suggested strongly agree, 1.5 – 2.4 suggested agree, 2.5 – 3.4 suggested neither agree nor disagree, 3.5 – 4.5 suggested disagree and > 4.5 strongly disagree. A standard deviation of >1.5 means a significant variance
showing non-consensus in the responses while <1 showing significance variance hence consensus in response.

Table 4.6: Performance Management

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Planning</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Any changes are communicated early in advance</td>
<td>3.62</td>
<td>1.282</td>
</tr>
<tr>
<td>I am aware of how I am supposed to perform my duties and responsibilities</td>
<td>3.44</td>
<td>1.351</td>
</tr>
<tr>
<td>I get everything that I require to do my job</td>
<td>3.43</td>
<td>1.426</td>
</tr>
<tr>
<td>I use time effectively</td>
<td>2.49</td>
<td>1.188</td>
</tr>
<tr>
<td>I set appropriate priorities for my tasks</td>
<td>2.47</td>
<td>1.431</td>
</tr>
<tr>
<td>I arrive for work when scheduled and on time</td>
<td>2.46</td>
<td>1.123</td>
</tr>
<tr>
<td>My organization has goals and objectives that employees work towards achieving</td>
<td>2.21</td>
<td>0.865</td>
</tr>
<tr>
<td><strong>Measuring performance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I Interact effectively and professionally with supervisors</td>
<td>4.41</td>
<td>0.985</td>
</tr>
<tr>
<td>Organization i work for, provides a positive feedback for good performance</td>
<td>4.28</td>
<td>0.544</td>
</tr>
<tr>
<td>I am happy to work for long hours for my organization</td>
<td>4.01</td>
<td>0.621</td>
</tr>
<tr>
<td>I am able to meet work deadlines</td>
<td>3.41</td>
<td>0.711</td>
</tr>
<tr>
<td>I perform all organization responsibilities allocated to me</td>
<td>2.58</td>
<td>0.641</td>
</tr>
<tr>
<td>I work without supervision</td>
<td>2.26</td>
<td>1.155</td>
</tr>
<tr>
<td><strong>Performance review</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am currently aware of what is going on in the organization</td>
<td>3.84</td>
<td>1.226</td>
</tr>
<tr>
<td>I can see how i have contributed to the organization as a whole</td>
<td>3.62</td>
<td>1.118</td>
</tr>
<tr>
<td>I have a clear idea of overall organization performance</td>
<td>3.51</td>
<td>1.175</td>
</tr>
<tr>
<td>I have a clear idea of future goals and plans for this organizations</td>
<td>3.32</td>
<td>0.967</td>
</tr>
<tr>
<td>My efforts and achievements are recognized</td>
<td>3.22</td>
<td>1.156</td>
</tr>
<tr>
<td>My organization goals and objectives are clearly stated. I know exactly what my job is</td>
<td>3.05</td>
<td>0.971</td>
</tr>
<tr>
<td>I have great influence in determination of my work objectives</td>
<td>3.01</td>
<td>1.155</td>
</tr>
<tr>
<td><strong>Rewarding performance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The rewards motivate me to perform well in my job</td>
<td>4.31</td>
<td>1.116</td>
</tr>
<tr>
<td>Rewards match my work effort</td>
<td>3.87</td>
<td>1.126</td>
</tr>
<tr>
<td>The rewards have a positive effect on my performance</td>
<td>3.63</td>
<td>1.154</td>
</tr>
<tr>
<td>I am Satisfied with the quantity and quality of the rewards</td>
<td>3.56</td>
<td>1.136</td>
</tr>
<tr>
<td>Rewards are distributed rightfully in this organization</td>
<td>3.54</td>
<td>0.681</td>
</tr>
<tr>
<td>I am proud to work for this organization</td>
<td>2.57</td>
<td>1.152</td>
</tr>
<tr>
<td>Employees work together in order to gain the rewards</td>
<td>2.47</td>
<td>1.155</td>
</tr>
<tr>
<td><strong>Overall mean and std deviation</strong></td>
<td>3.29</td>
<td>1.03</td>
</tr>
</tbody>
</table>
The findings in table 4.6 indicated that respondents neither agreed nor disagreed that planning was present in the organization (mean= 2.87) though there was high consistency in response (std. deviation=1.24). The respondents disagreed that any changes made were communicated early in advance (mean=3.62), they neither agreed nor disagreed that they are aware on how they are supposed to perform their duties (mean=3.44). The respondents agreed that they use time effectively (mean=2.49) and set appropriate priorities for their tasks (mean=2.47), they also agreed that the organization has goals and objectives that they work towards achieving (mean=2.21).

On the issue of performance measurement the respondents neither agreed nor disagreed that performance measurement was present in the organization (mean= 3.49) though there was high consistency in response (std. deviation=0.78). The respondents disagreed that they interacted effectively and professionally with supervisors (mean=4.41) and that the management provided a positive feedback for good performance (mean=4.28). The respondents neither agreed nor disagreed if they were able to meet work deadlines (mean=3.41) or actively carry out all organization responsibilities assigned to them (mean= 2.58). However they agreed that they were able to work without supervision (mean= 2.26).

The respondents neither agreed nor disagreed that performance review was present in the organization (mean= 3.37) though there was high inconsistency in responses (std. deviation=1.11). The respondents disagreed that they were currently aware of what is going on in the organization (mean= 3.84) and that they saw how their work contributed to the organization as a whole (mean= 3.62) they also disagreed that they had a clear idea on how the organization is performing overall (mean= 3.51). The respondents neither agreed nor disagreed if they had a clear idea of the future goals.
and plans are for the organization (mean= 3.32) and if their achievements were recognized (mean= 3.22) and also if they had a great influence in determination of their work objectives (mean= 3.01).

On the issues of rewarding performance, the respondents disagreed that rewarding was linked to performance in the organization (mean= 3.42) though there was high inconsistency in responses (std. deviation=1.07). The respondents disagreed that reward motivated them to perform well in their job (mean= 4.31) and that reward matched their work effort (mean= 3.87) and also that reward had a positive effect on their performance (mean= 3.63). They further disagreed that reward was rightfully distributed in the organization (mean= 3.54) and that they were satisfied with the quantity and quality of the rewards (mean= 3.56). They neither agreed nor disagreed if they were proud to work for the organization (mean= 2.57) or if employees worked together in order to gain the rewards (mean= 2.47). Overall the respondents neither agreed nor disagreed that performance management initiatives were present in their organization (mean= 3.29)

4.5 Job Satisfaction

The study conducted was to find out the satisfaction level of workers in the organization. Outlined below is the analysis that was carried out.
Table 4.7: Job Satisfaction

<table>
<thead>
<tr>
<th>JOB SATISFACTION</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>2.97</td>
<td>1.12</td>
</tr>
<tr>
<td>Opportunities are somewhat limited</td>
<td>2.70</td>
<td>0.966</td>
</tr>
<tr>
<td>Accomplishment I get from the job gives me satisfaction</td>
<td>3.48</td>
<td>1.176</td>
</tr>
<tr>
<td>Promotion is based on ability</td>
<td>3.32</td>
<td>1.178</td>
</tr>
<tr>
<td>The chances and opportunities for promotion are available</td>
<td>2.38</td>
<td>1.157</td>
</tr>
<tr>
<td>Supervision</td>
<td>3.37</td>
<td>1.14</td>
</tr>
<tr>
<td>The way my boss handle his/her worker satisfies me</td>
<td>3.98</td>
<td>1.143</td>
</tr>
<tr>
<td>I feel satisfied that the supervisor is around when needed</td>
<td>3.88</td>
<td>1.052</td>
</tr>
<tr>
<td>I think that the supervisor are aware of their job and praises good work</td>
<td>2.64</td>
<td>1.132</td>
</tr>
<tr>
<td>Its hard to please my supervisor</td>
<td>3.26</td>
<td>1.192</td>
</tr>
<tr>
<td>My supervisor is competent in making decisions</td>
<td>3.08</td>
<td>1.158</td>
</tr>
<tr>
<td>Work itself</td>
<td>3.26</td>
<td>1.16</td>
</tr>
<tr>
<td>I am given the freedom to use my own judgment</td>
<td>3.60</td>
<td>1.181</td>
</tr>
<tr>
<td>I am given the chance to do different things from time to time</td>
<td>3.49</td>
<td>1.182</td>
</tr>
<tr>
<td>I am given the chance to do something that make use of my abilities in my organization</td>
<td>3.48</td>
<td>1.177</td>
</tr>
<tr>
<td>The job that I perform is challenging</td>
<td>2.48</td>
<td>1.172</td>
</tr>
<tr>
<td>Co-worker</td>
<td>2.81</td>
<td>1.17</td>
</tr>
<tr>
<td>There is a good working relationship between me and my superior</td>
<td>3.67</td>
<td>1.168</td>
</tr>
<tr>
<td>The people in my organisation are loyal</td>
<td>3.47</td>
<td>1.442</td>
</tr>
<tr>
<td>The people in my organisation are ambitious</td>
<td>2.57</td>
<td>0.986</td>
</tr>
<tr>
<td>In my organization we cooperate well with one other</td>
<td>2.24</td>
<td>1.127</td>
</tr>
<tr>
<td>The people in my organisation talk too much</td>
<td>2.11</td>
<td>1.111</td>
</tr>
<tr>
<td>Pay</td>
<td>3.46</td>
<td>0.97</td>
</tr>
<tr>
<td>My salary is highly paid</td>
<td>4.56</td>
<td>1.051</td>
</tr>
<tr>
<td>my pay and how much i do is satisfactory</td>
<td>3.55</td>
<td>1.173</td>
</tr>
<tr>
<td>My salary is underpaid</td>
<td>1.18</td>
<td>0.688</td>
</tr>
<tr>
<td>overall mean and std deviation</td>
<td>3.17</td>
<td>1.11</td>
</tr>
</tbody>
</table>

The findings in table 4.4 indicated that respondents neither agreed nor disagreed if promotion led to job satisfaction (mean= 2.97) and (std. deviation=1.12). The respondents neither agreed nor disagreed if opportunities for promotion are somewhat limited (mean=2.70) and if promotion is based on ability (mean=3.32). However the respondents agreed that the chances and opportunities for promotion are available (mean=2.38).
The respondents neither agreed nor disagreed if supervision led to job satisfaction (mean=3.37) and (std. deviation=1.14). The respondents disagreed that they were satisfied with the way the boss handled their work (mean =3.98) and that they were satisfied that the supervisors were around when needed (mean= 3.88). In addition the respondents neither agreed nor disagreed if the supervisors were hard to please (mean =3.26) and if the supervisors were competent in making decisions (mean =3.08) or if the supervisors knew their jobs well and praised their good work (mean =2.64).

On Work itself the respondents neither agreed nor disagreed if it led to job satisfaction (mean=2.26) and (std. deviation=1.16). The respondents disagreed that their organization gives them the freedom to use their own judgment (mean=3.60). The respondents neither agreed nor disagreed if the organization gives them the chance to make use of their abilities (mean=3.49) and if the organization gives them the opportunity to do different things from time to time (mean=3.48). However the respondents agreed that the job that they perform is challenging (mean=2.48).

Regarding co-workers and job satisfaction, the respondents neither agreed nor disagreed that interaction with co-workers led to job satisfaction (mean=2.81) and (std. deviation=1.17). The respondents disagreed that they have a good working relationship with their superior (mean=3.67). The respondents neither agreed nor disagreed that the people in their organization are loyal (mean=3.47) and that the people in their organization are ambitious (mean=2.57). However the respondents agreed that they work as a team hence they are able to cooperate well with each other (mean=2.24).

On the issue of pay, the respondents neither agreed nor disagreed that pay led to job satisfaction (mean =3.17) and (std. deviation=1.11). The respondents strongly
disagreed that their salaries are highly paid (mean=3.55). They disagreed that they are satisfied with their pay and how much they do (mean=3.17). Further the respondents agreed that their salaries are underpaid (mean=2.26). Overall the respondents neither agreed nor disagreed that the determinants of job satisfaction were present in their organization (mean= 3.17).

4.6 The Regression Model

The relationship between performance management and job satisfaction was evaluated using the regression analysis in which the mean for job satisfaction (dependent variable) was regressed on the mean of the independent variable (Performance Management). The findings of the regression analysis were as presented in Table 4.8 below.

Table 4.8: Regression Analysis Results

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.740</td>
<td>0.547</td>
<td>0.540</td>
<td>0.402</td>
</tr>
</tbody>
</table>

**ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>df</th>
<th>Sum of squares</th>
<th>mean of square</th>
<th>F</th>
<th>Sig F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>11.359</td>
<td>11.359</td>
<td>70.168</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>58</td>
<td>9.389</td>
<td>0.162</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>59</td>
<td>20.748</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>59</td>
<td>20.748</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficient</th>
<th>Standardized coefficient</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>Performance Management</td>
<td>1.464</td>
<td>0.583</td>
<td>0.242</td>
<td>0.070</td>
<td>0.740</td>
</tr>
<tr>
<td></td>
<td>Performance Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dependent Variable: Job Satisfaction
From the above results, the regression coefficient indicates that performance management has a positive effect on Job satisfaction. This is indicated by the independent variable where; \((t=8.377)\ p=0.000\) meaning performance management has a statistically significant effect.

The analysis shows that 54.57\% of the variation of job Satisfaction was explained by variation of Performance Management \((R^2=0.547)\), hence 54.57\% of the value fit the model. The relationship between the independent variable and the predictor variable is as shown in the following model.

\[ Y = 1.464 + 0.583X \]

Where;

\(Y\) = Job Satisfaction

\(X\) = Performance Management

\(\beta\) value for the independent variable has the following implication on the dependent variable. The model predicts that holding all other factors constant, a unit increase in performance management increases job satisfaction by 0.583 units (58.3\%). This indicates a moderately strong positive relationship between performance management and job satisfaction. The constant value implies that holding all other factors constant job satisfaction will be at 1.464 units. The results are a true reflection of what other scholars have studied in which the results show a positive relationship between performance management and job satisfaction.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter provides the summary, conclusion, recommendation, limitations and suggestions for further research; all based on the research findings.

5.2 Summary of the Study Findings

The objective was to determine the influence of performance management on job satisfaction at Sarova hotels in Nairobi. The findings indicated that some of the factors that contributed to performance management were neutral, such as; planning, performance measurement and performance review. Rewarding performance was not considered to be present in the organization.

The findings indicated that any changes made were not communicated and the employees were not sure about their duties and responsibilities in the organization, however employees were able to use time effectively and were able to set priorities for their tasks. On performance measurement employees did not interact effectively and professionally with supervisors and management did not provide a positive feedback for any good performance, employees however agreed that they were able to work without supervision. With regards to performance review employees were unaware of what was going on in the organization and they had no clear idea of what the organization goals and plans were for the future. Further, reward did not motivate employees to perform their job because employees felt that reward did not match their effort and that it was not rightfully distributed in the organization.

The findings on the satisfaction level of employees in the organization indicated that opportunities for promotion were somewhat limited but there were chances for
promotion in the organization. The employees were not happy with the way their bosses were handling their work. The supervisors were not around when needed and they were not so competent in making their decisions. On the issue of work, employees were not given the freedom to use their own judgment and were not really given an opportunity to do things that make use of their abilities. However, employee’s job was found to be challenging. Further, pay did not match the amount of work done and employees felt that they were being underpaid. The relationship between performance management and job satisfaction was evaluated and it indicated a moderately strong positive relationship between performance management and job satisfaction.

5.3 Conclusion

According to the literature of the respondents, the study findings reveal that employees should be involved in the business operations because they have a say in most of the important decisions in the organization and suggestions of ideas that affect them and the organization at large. Planning is very important because better planning leads to better communication among employees within the organization, it also leads to proper allocation of duties and responsibilities and it creates awareness to employees about the goals and objectives of the organization. Performance measurement ensures employees get proper feedback with regard to their performance, deadlines also are able to be met and assigned duties responsibilities are done by the respective employees.

Performance review recognizes individual effort and achievement and ensures employees are aware about the overall performance of the organization and that they have a clear idea about future plans and goals for the organization. Employee’s
rewards should match their effort in order to motivate them and it should be rightfully distributed in the organization so that performance management can improve.

Pay plays a very important role in the hotel industry, it’s a major determinant of job satisfaction and it leads to attracting and retaining competent workforce. Fair promotional opportunities should be practiced and employees should work together as this has a significant impact on the employee job satisfaction. Padilla-Velez (1993) suggested that performance can be enhanced and absenteeism can be reduced with the help of interaction socialization among employees in the organization. On work itself, employees should be provided with tasks, available chances for learning and personal development, and the opportunity to be accountable and responsible for the outcome. With Supervision, the recognition of the workers attainment by the supervisors improves their job satisfaction level and also is vital for solving everyday problems of the organization. Practicing the above factors will certainly lead to job satisfaction.

5.4 Recommendation

Based on the findings and discussion of the study, the researcher recommends that with regards to planning any changes made should be communicated early and employee’s duties and responsibilities should be clearly made known in order to ensure proper work flow in performance of tasks. The researcher also recommends that employee’s performance should be measured in order to ensure employees and supervisors interact effectively and that a positive feedback is provided for any good performance.

Further, performance review should done in terms of determining the influence that employees have in achieving work objectives and also in recognition of their achievements. Employees should be rewarded fairly such that rewards should match
employee’s effort and this reward should be able to motivate employees to perform well in their jobs.

5.5 Limitations of the Study

Although the findings provide valuable insights, the study has some limitation. The focus of the study was on Sarova hotels in Nairobi which are among other Sarova hotels located in various destinations in the country. The findings of the study may not be adequate for generalization because the views of the respondents may only relate to Sarova hotels in Nairobi.

5.6 Suggestions for Further Research

Since the Study was carried out at Sarova Hotels in Nairobi. It is suggested that a similar study should be done across all Sarova hotels located in other regions in order to yield findings that could allow generalization. A similar study could also be conducted in other sectors to compare variation in responses.
REFERENCES


NezaamLuddy (2005). *Job satisfaction amongst employees at a public health institution in the Western Cape.*


The Daily Nation, (2015, May 5th)


APPENDICES

APPENDIX I: INTRODUCTION LETTER

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS

DATE

TO WHOM IT MAY CONCERN

The bearer of this letter Trizah Akunga

Registration No. DE1165681 2013

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

Patrick Nyabuto
Senior Administrative Assistant
School of Business

18 OCT 2016
APPENDIX II: QUESTIONNAIRE

The main objective of this questionnaire is to determine the influence of performance management on job satisfaction at Sarova Hotels in Nairobi. Kindly respond to all questions freely and honestly. All the information you give will be treated with confidentiality. The information will be used to prepare an academic report and will not include any specific names.

Please tick [ √ ] in the appropriate box

SECTION A: DEMOGRAPHIC DATA

1. What is your gender?

[ ] Male  [ ] Female

2. Please select your job category

[ ] Junior  [ ] Supervisory  [ ] Management

3. Please indicate your age group.

[ ] 15-25  [ ] 26-35  [ ] 36-45  [ ] 46-55  [ ] Over 55

4. How long have you been employed in this hotel?

[ ] less than 1 year  [ ] 6 - 10 years

[ ] 1 - 5 years  [ ] more than 10 years

5. Indicate your highest level of education.

a) Secondary Level ( )

b) College diploma ( )

c) University degree ( )

d) Master degree ( )

e) P.H.D ( )
SECTION B: PERFORMANCE MANAGEMENT

Please respond to the following research related questions by marking the appropriate box in front of each question as relates to your organization. Where (1= strongly agree, 2= agree, 3= neither agree nor disagree, 4= disagree, 5= strongly disagree)

<table>
<thead>
<tr>
<th>Planning</th>
<th>1</th>
<th>2</th>
<th>3</th>
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<th>5</th>
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<tbody>
<tr>
<td>My organization has goals and objectives that employees work towards achieving</td>
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<td>Any changes are communicated early in advance</td>
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<td>I am aware of how I am supposed to perform my duties and responsibilities</td>
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<td>I get everything that I require to do my job</td>
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<td>I arrive for work when scheduled and on time</td>
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<td>I set appropriate priorities for my tasks</td>
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<td>I use time effectively</td>
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<tr>
<th>Measuring performance</th>
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<th>2</th>
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<th>4</th>
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<tbody>
<tr>
<td>My organization provides a positive feedback for good performance</td>
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<td>I actively carry out all my organization responsibilities assigned to me</td>
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<td>I am happy to spend long hours working for my organization</td>
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<td>I am able to meet work deadlines</td>
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<td>I work without supervision</td>
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<td>I Interact effectively and professionally with supervisors</td>
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<tr>
<th>Performance review</th>
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<th>2</th>
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<tbody>
<tr>
<td>My individual efforts and achievements are recognized</td>
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<tr>
<td>My organization goals and objectives are clearly stated and I know exactly what my job is</td>
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<tr>
<td>I have great influence in determination of my work objectives</td>
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<tr>
<td>I am currently aware of what is going on in the organization</td>
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<tr>
<td>I have a clear idea of what this organizations goals and plans are for</td>
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</table>
I have a clear idea of how the organization is performing overall

I can see how my work contributes to the organization as a whole

Rewarding performance

Rewards are distributed rightfully in this organization

Rewards match my work effort

I am Satisfied with the quantity and quality of the rewards

The rewards have a positive effect on my performance

The rewards motivate me to perform well in my job

I am proud to work for this organization

Employees work more as a team in order to gain the rewards

SECTION C: JOB SATISFACTION

Please respond to the following research related questions by marking the appropriate box in front of each question as relates to your organization. Where (1= strongly agree, 2= agree, 3= neither agree nor disagree, 4= disagree, 5= strongly disagree)

Promotion

The chances and opportunities for promotion are available

Opportunities are somewhat limited

Promotion is based on ability

I am satisfied with the feeling of accomplishment I get from the job

Supervision

My supervisor is competent in making decisions

The supervisor is hard to please

I am satisfied that the supervisor is around when needed

I am satisfied with the way my boss handle his/her worker

I think that the supervisor knows the job well and praises good work
<table>
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<tr>
<th>Work itself</th>
<th>1</th>
<th>2</th>
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<tbody>
<tr>
<td>My organisation gives me the chance to do something that make use of my abilities</td>
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<td>My organisation gives me the chance to do different things from time to time</td>
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<td>My organisation gives me the freedom to use my own judgment</td>
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<td>The job that I perform is challenging</td>
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<td>Co-worker</td>
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<td>I work with people who cooperate well with one other</td>
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<td>The people in my organisation talk too much</td>
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<td>The people in my organisation are loyal</td>
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<td>The people in my organisation are ambitious</td>
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<td>I am having good working relationship with my superior</td>
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<td>Pay</td>
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<tr>
<td>I am satisfied with my pay and amount of work that I do</td>
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<td>My salary is highly paid</td>
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<td>My salary is underpaid</td>
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Thank you for Participating