

**INFLUENCE OF SHORT-TERM EMPLOYMENT CONTRACTS ON EMPLOYEE
PERFORMANCE IN HUMANITARIAN NON-GOVERNMENTAL
ORGANIZATIONS IN NAIROBI COUNTY**

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DECLARATION

I, Lyner Odera Oloo, do hereby declare that this project paper is my original work and has not been submitted for a degree in any other university.

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DEDICATION

This research project is dedicated to my family members, my husband Polycarp, daughter Juliet and sons Elly and Teddy for having allowed me time off their schedules to work on the research. Their understanding and prayers through this journey is extremely appreciated.

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ABSTRACT

Many organizations tend to use short term employment contracts and the trend is rapidly growing. The practice is spread across industries, from those manufacturing, those in service industry and other disciplines eg construction workers, medicine practioners, banking sector, as well as information technologists. The trend has been necessitated by the ever-rising costs of doing business hence employers are trying to cut labour costs as much as they can. This study aimed at finding out the influence of short-term employment contracts on employee performance in humanitarian governmental organizations in Nairobi County. The researcher has used descriptive research design and purposive sampling method for achievement of the study objective. The study targeted those employees on short term employment contracts of period of one week to one year. A sample size of 34 humanitarian non-governmental organizations in Nairobi County were sampled targeting 5 employees each with short term employment contracts from each organization. The researcher mainly used primary data which was collected. The collected data was analysed using Statistical Package for Social Science (SPSS) and presented in tables, figures pic charts, means, standard deviations etc. The study found out that short term employment contracts are used by employers as alternative employment, they create the feeling of job insecurity to the employees, the employees voluntarily accept these short-term employment contracts in anticipation of permanent contracts and above all, they influence employee performance both positively and negatively. The study found that humanitarian non-governmental organizations using short term employment contracts should have strategies of gradual absorption of the temporary employees into permanent positions whenever opportunities arise in order to cope with some of the challenges associated with short term employment contracts. Those on short term employment should be trained by the employers in order to acquire relevant skills to boost their skills for overall productivity enhancement. These organizations should also review compensation and benefits to bridge the gaps that are experienced between the two types of employment; short term employment contracts and the permanent employment.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Changing market conditions necessitates the need for organizations to adopt various employment strategies to respond to them. Many costly employment benefits and tax liabilities can be avoided by the use of classifying workers as contractors than employees, Redman and Wilkinson (2009). Only the employees of the organization can be given access to the benefits like health insurance, retirement plans as well as stock plans. Hiring labour on temporary basis comes with benefits like, having flexibility in reducing and increasing staff whenever there is need which enables coping with increased business during certain periods which can easily lead to reduce waiting time for services leading satisfaction of customers. It is believed that being that temporary staffs are only paid when they work and not when on off days increases productivity to the employing firms. Some employers often put prospective employees on temporary trial before being hired as regular employees (International Labour Organization, 2013). It is also believed that temporary employment can be a source of higher levels of stress, job insecurity and low motivation to employees (Bergstrom and Storrie 2003).

Temporary employment is perceived by many people as the strain of an employee as manifested through poor well-being at the work place (De Cuyper, Isaksson and Witte 2008). Some salient features of working on short-term employment contracts are job insecurity, uncertainty and unpredictability. Poor performance and overall unfavourable outcomes are usually known to be associated with job insecurity. It is argued by Beckmann, Binz and Schauenberg (2007) that employment contracts that are short term in nature may result into adverse and favourable outcomes as far as employee satisfaction is concerned.

The way people perceive how they are being treated compared to others in an environment is the basis of Equity Theory. Adam Stacey John's Equity Theory advocates for fair balance between an employees' input and the output. An employee carries out personal assessment to determine whether the kind of treatment at the work place is fair or not. Fairness is one of the factors that motivates employees at the work place. If one is treated equitably, he will be motivated and when treated inequitably, they get demotivated, (Dessler,2008).

One of the most popular and the oldest theories of sociology and social behaviour and social psychology literature is the Social Exchange Theory (SET). It is noted by Emerson (1981) that social exchange is about two people, they each provide benefit to one another and subsequently rewards from one another. Social Exchange Theory development had been contributed by sociologists like (Homans, 1958; Thibaut & Kelley, 1959; Emerson, 1962, and Blau, 1964). These scholars had different emphasis on social behaviour in any process of exchange. They provided a discussion of how benefits accruing from any exchange relation are weighted by different actors in the process. They also pointed out the interrelationship between power and work among actors in any exchange process and relationship. For other scholars including Blau (1964) viewed social interaction as process of exchange between more than one individual. He emphasized on social interaction as an exchange process.

Since 1980s, NGO as a sub sector has played a significant role in formulation and operationalization of projects. NGOs have been instrumental in making sure that the marginalized and the disadvantaged members of the community get access to basic needs including water, health, sanitation. This is done through partnership programs with the government and other agencies. NGOs have played crucial roles in numerous projects as far as the economy of the country is concerned including waste management and thus environmental

awareness, education, health and sanitation interventions, development and utilization of harmless forms of energy that are environmentally friendly including the sources of energies that could be renewed. In general, the Kenyan economy has truly benefited overall in the emergence of NGOs working hand in hand with the government. Basically, they complement the work of the government. Having worked in the NGO sector for the last 12 years, in the same organization and having interacted with different personalities from different NGOs, I have realised that most NGO's way of engagement is through short term employment.

1.1.1 Short Term Employment Contracts

Short Term employment is perhaps most parsimoniously defined as 'dependent employment of limited duration' (OECD, 2002). A first element concerns the reference to waged (i.e., dependent) work. This implies that all forms of self-employment are excluded from the definition. Such is the case for independent contracting, this is however categorized as temporary employment in the US (Connelly & Gallagher, 2006). A second element is the reference to expiration of the contract (i.e., limited duration) whereas permanent employment builds on the notion of ongoing employment.

Scholars have defined short-term employment contract differently including nonstandard and irregular form of employment (Belous, 1989, cited in Lips, 1998). It is used in reference to those people employed in jobs that do not fall within descriptions and definition of full time or permanent jobs. It is commonly defined as a job in which an employee has no explicit or implicit contract for long term type of employment (Nardone et al., 1997).

Short-term employment contracts are employment situations whereby the working environment is limited to a given period. This period is based on the need of the employing

organization. Employees of short-term contracts are usually highly skilled in the fields they are called to work in. Short-term employees may work either as full-term or as part-time workers. Through this, some employees get to be employed permanently depending on the need of the employer. However, not all short-term workers end up being employed in those organizations. The rise of short-term jobs in the society makes most people prefer short-term employment to permanent because it enables them to explore a lot and gain more skills in different organizations and brings into being the global market for work (Kalleberg, 2000).

1.1.2 Employee performance

It is indeed difficult to define what performance is, however, there are three major meanings or connotations that can be given to performance; these include: When an outcome is successful, or the action is unsuccessful. Performance is the ability of an individual to progress in his/her efforts (Bourguignon, 1997). It is a comparison of the actual and planned goals and objectives. It is the attainment of the goals and objectives of an organization over a stated lifespan. Being efficient and performance can be differentiated (Vilain, 2003), since performance is based on what happened in the past while efficiency is more of achieving the future objectives.

Performance of staffs at the work place combine both the abilities and levels of motivation (Armstrong, 2009). So many things can be done to improve employee performance, these can include; careful selection and training, several rewards that can be expressed in terms of money and in-kind. These rewards are geared towards improving the level of morale among employees. There are some other human resource practices which are aimed at improving employee performance, they include; job security, objective hiring, need based training, self-managed teams, performance-based pay, information sharing, team building activities.

In the past, scholars have operationalized job performance measures in different ways. (Campbell et al., 1990, Viswesravan et al., 1996). Some of the measures include, rating scales, testing job knowledge, observing how the job is done and the use of records and files of employees stored in an organization to determine how staff perform. Out of these methods of determining employee job performance, the most frequently applied method is performance rating that can be done by either peers or supervisors (Viswesravan et al., 1996). In some cases, production and sales figure records are requested to aid the process of determination and assessment of employee job performance. However, these criteria require subjective assessment and judgement and thus not effective.

Tracking employee performance at the work place plays a crucial role to an organization (Arnold & Feldman, 2010). Employees who are talented require feedback for growth and improvement. Beyond this, it is only logical that all activities being undertaken in an organization are tracked. According to Huselid (2007), it is crucial that an organization determines whether employees meet what is expected of them by their supervisors and peers at the work place. Growth in an organization is measured by attendance information and statistics. Employee level of performance can also be determined by her/his attendance practice. For instance, low levels of attendance can be used to predict low morale or poor health of employees in an organization.

Coens and Jenkins (2002) noted that employee's efficiency is key in measuring performance. Staffs should always aim at making sure that the assigned tasks are accomplished within the stipulated time frame. Employees should be positioned to overcome time and resource constraints and limitations in an organization. This however requires an ability to prioritize activities so as to accomplish them within the required timelines. One critical need of

determining and managing performance in an organization is to keep staff working at highly productive and efficient rates. Managers in an organization have an ability to use their ability and decisions to allocate resource in effectively managing performance of employees in an organization (Johnson and Kaplan, 2007).

1.1.3 Humanitarian NGOs in Nairobi

Humanitarian Non-governmental organizations (NGOs) are involved in human intervention and responses with strong commitment to humanitarian principles. They include agencies by the United Nations (UN), the Red Cross movement and other International Organizations. Globally, there is an Inter-Agency Standing Committee (IASC) established to coordinate, develop policies and formulate relevant decisions that brings together the UN and non-UN partners in humanitarian interventions.

In Kenya, the NGOs, IOs, Red Cross/Red Crescent movement and UN comprise the humanitarian country team under strategic leadership of UNDP resident coordinator and do undertake humanitarian action in-country and are committed to participate in coordination arrangements during humanitarian operations. Most of these organizations have common responsibilities that aim at strengthening efficiency and effectiveness in humanitarian interventions and actions. This is because all humanitarian needs cannot be attained by a single NGO and thus there is need to partner. The Kenyan government (GoK) takes the lead in all humanitarian coordination and response operations and the government is supported by the humanitarian organizations, through sector/cluster coordination mechanisms that are organized along the lines of agency specific mandates. These coordination mechanisms usually enhance information exchange; they help avoid widespread duplication of efforts and ensure resources

are used in the most efficient manner during humanitarian response (Paul, Duncalf, Greenhalgh, Marroni, Mohammed and Maina, 2012).

Humanitarian organizations working in Kenya recognize the need to investigate and formulate decisions support systems that are evidence-based. The key focus and priorities for these groups have been to identify and endorse standards on a global scale, come up with platforms that allow sharing and exchange of best practices and information, creation of partnership programs and exchange and analysis.

Beal, Cohen, Burke, and McLendon (2003) noted that several benefits accrue in free flow and sharing of information among members in a team including promotion of positive working environment, increasing cohesion and trust among team members and this improves performance. Thus, in humanitarian emergencies, information sharing promotes cooperation and partnership among UN, international organizations, NGOs, local and national actors. Studies by Bharosa et al. (2009) indicates that relief employees in most cases receive information from other people that providing the same information to other people who may need the same. However, a clear comprehension of each other's working processes and creation of incentives to share information are critical determinants of coordination and information sharing at the work place.

1.2 Research Problem

Towards the end of short-term employment contracts, commitment and performance may be compromised as employees foresee that they are likely to leave the organization hence they start refocusing their energies towards job search behaviour. (Gallagher & Parks,2001). Discussions relating to future work events are less likely discussed with short term employee,

this is perceived to reduce barriers in an organization's information flow and thus employee performance (Lapalme et al.,2009). Employees on short term employment have mixed perception whenever these contracts come to an end. Some view it as a threat to the job security and others look at it as just a change in status. The thought of contract coming to an end in most instances bring about the perceived job insecurity that comes with the reality of losing a job (De Cuyper et al., 2008). Towards the end of the contracts, either the demand s intensifies or starts to lose its meaning. When these employees start handing over their responsibilities to permanent employees, they start lacking job satisfaction and the feeling of job insecurity comes in affecting their performance (Clinton et al.,2011).

The expectation of staff about a contract can be reciprocated with level of commitment and favourable terms in the job. This helps in balancing between rewards and the efforts of the social exchange process (Blau, 1964). When employees expect their contracts to be extended, they do not use a lot of energy exploring possible alternative employment elsewhere. This may justify the findings that the longer the contracts the better the job performance (Pearce & Randel, 2004). Whenever an employee anticipates that his contract will be extended beyond the current one, it gives the employee employment security and reduces unemployment threats. Whenever a skill in a temporary employee is recognized by an employer and indication of employee retention in the organization is confirmed or communicated to the employee, this motivates and enhances the employee performance (Spector, 1997).

Humanitarian Non-Governmental Organizations have several types of employment engagements. They depend on the activities of the organization as well as what needs to be achieved. They include and not limited to contract for an unspecified period; Some people call this type, a permanent contract or open-ended contract (Claudia, Magnus and Hans, 2005).

They are contracts which are issued to employees who hold very core positions within the organization. This type of engagement attracts better employment terms e.g. pension contribution, insurance as well as better remuneration. Another type of contract is for specific period. They are employment contracts whose durations are tied to performance of a specified task. The contract ends immediately the assigned task is completed. These include, casual employment; this is where an employee is engaged and paid daily. It is suitable with organizations that have seasonal business patterns. There are no benefits and normal rights that accrue to a casual employee in an organization.

Another type of specified employment is the temporary fixed term employment (Bernhard-Oettel & Isaksson, 2005). It can either be written or implied. An employee in this type of contract is usually engaged for a defined period of time that is agreed by both parties. The contracts can always be renewed during the contract period. These contracts in most cases are pegged on some donor funding and activities. The renewal is dependent on performance and availability of funds. They are contracts which run from three months to one year. Employees of this type of contract are entitled to all employee related benefits. Depending on their agreement, an organization can pay them gratuity by expiry of the agreed period of the contract. An organization deducts and remits all statutory deductions including PAYE, NHIF and NSSF. Humanitarian non-governmental organizations also have probationary contract. This is the contract period when the employee is put on probation to monitor and evaluate his level of performance. This type of contract applies for both specified and unspecified contracts. The main aim of this type of contract is to allow for short notice period for separation. It normally allows for one-week notice both employer and employee to each other.

Parker, Griffin and Sprigg (2002) carried out an assessment of temporary work and how it affected employee performance. The study was done in United Kingdom among companies involved in manufacture and assembly of vehicles. The key finding of the study was that temporary employment status were lined with adverse and favourable outcomes in an organization.

Anwar, Slam and Tariq (2011) sought to investigate a link between working on temporary basis and the resultant performance of employees at the work place. It was revealed that incentives and job security were strongly correlated with employee performance at the work place. The recommendation of the study was that organizations should consider hiring employees on permanent rather than contractual basis. Organizations that have hired staff on contractual basis should use recognition and incentives to appreciate performance.

Wandera (2011) conducted a study at Kenya Forest Services on short term employment contract. The study established that employment on short term contractual basis resulted into low productivity of employees and their morale. Furthermore, feelings of divided allegiances by short term employee is increased by the nature of temporary employment. This lower commitment levels of employees and ultimately their levels of productivity. Juma and Ongera (2012) studied how employment on a temporary basis affected performance of employees. The study used a case of Safaricom Ltd. The findings of the study suggested that temporary employment of staff adversely affected their overall output in an organization.

This research is not similar to the above past research studies in that it focused on a specific sector in the economy that is the humanitarian non-governmental organizations and more specifically to those operating in Nairobi. It focused on the employee performance and not

organizational performance. This study attempted to answer the question, how short-term employment contract influences employee performance in humanitarian non-governmental organizations in Kenya?

1.3 Research Objective

The main objective of the study was to establish the influence of short-term employment contracts on employee performance in humanitarian non-governmental organizations in Nairobi.

1.4 Value of the Study

The study will shed more light on what has already been researched by other authors. It will create a scenario where some scholars will try to carry out a study on the link between short term and long-term employment contracts; try to find out how both affect employee performance in an organization. The recommendations and findings of the study will also be useful to other researchers in the field of Human Resource Management to elaborate on unaddressed areas of temporary employment.

Kenyan government through the Ministry of Labour will benefit from the study by using its findings to come up with policies which can guide management and practice of short-term employment contracts within the country. The findings can also be used in formulations of legislation which are guide employment in Kenya. When making amendments to the existing labour laws, the finding can help in the amendment.

To the human resource management practitioners, the study will enable them to come up with policies and procedures as well good practices in their places of work. This will be aimed at

enhancing employee performance. Findings of this research will be used by human resource management practitioners to develop strategies meant to counter the challenges of short term employment. The study will also benefit humanitarian non-governmental organizations in Kenya which use short term employment contracts as means of employment. Findings of the study will enlighten them on challenges being faced by other organizations.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter aimed at providing literature on how similar research problem has been approached from the previous scholarly literature done. It revaluated the accessible information on the influence of short-term employment contracts on employee performance in humanitarian NGOs. The section also reviewed the theoretical underpinning of the study, types of short-term contracts, measures of employee performance and short-term employment contracts and employee performance.

2.2 Theoretical Underpinning of The Study

Theory is defined by scholars like Kothari (2003) as a set of constructs and concepts that are interrelatedly used in predicting a given pattern of behaviour. Equity Theory and Social Exchange Theories were the theories that guided this study.

2.2.1 Equity Theory

Key components of motivated individuals are fairness and equity, Adams (1965). Fairness is believed to be source of motivation of individuals according to Equity Theory. Whenever inequalities are identified in overall outputs or inputs in reference to their referent groups, such employees will make adjustment in their level of performance to the level of their perceived level of equity. High level of input should always be rewarded highly and this is the expectation of employees. For instance, when staff put in more performance, they have high expectations of an increase in the pay they will ultimately receive (Cropanzano, 1993). This can be expressed as a ratio of outcomes per inputs. Employees will always compare what they produced against what they are paid with what other employees producing the same tasks are paid; this enables

them gauge if there is equity at the work place. This theory suggests that motivation of staff at the work place will go up if they receive fair treatment (Dessler,2008).

According to this theory, when employees receive low pay, it makes them dissatisfied. This would further act as demotivator for individuals to reduce their efforts resulting into poor performance. One way of reducing efforts could be a reduction in inputs that would lower performance. Adams (1965) notes that over-rewarding an individual may result into feelings of guilt, resent or anger and other negative emotions. These feeling would thus act as motivator for employees to move towards lowering the imbalance. This will mean increasing output and therefore overall performance.

This theory can be used in all situations involving exchange. Thus, where there exist several components that can be enlisted as outcomes/inputs. However, there is difficulties in what these components are because they are subjective in nature (Siegel, Schraeder, & Morrison, 2007). According to Siegel, et al. there could exist patterns of how outcomes/inputs are framed by individuals. For instance, staffs are used to distinguishing inputs in relation to whether they can be controlled or not controlled (Siegel, et. al., 2007).

This theory suffers from underlying limitations and criticisms that reduce its applicability at place of work. The theory fails to address the best method to use in reducing inequity at the work place (Redmond, 2009). The theory fits in explaining past as compared to future behaviour of employees in an organization. Moreover, the overpayment notion does not hold much weight as compared to underpayment (Redmond, 2009). The theory proceeds on assumption that all people are sensitive to inequity and equity (Huseman, et. al., 1987).

2.2.2 Social Exchange Theory

The Social Exchange Theory (SET) is one of those commonly used research theories regarding workplace relationships in the sense that certain experiences at the workplace generate relationships that translate into social exchange (Cropanzano, Byrne, Bobocel, & Rupp, 2001). The exchange relationship came about from the work place relationship, the expectation of fair treatment by the employer to an employee that influences work behaviour and attitude. Blau (1964) model of Social Exchange Theory is used by different scholars to explain the theoretical background of how give and take relationships work at work places. Blau (1964) asserts that Social Exchange Theory entails a set of economic and social interactions and exchanges. This interaction occurs between more than one party and it is reciprocal in nature. There exists a difference between social and economic exchange. This difference lies in the nature and type of resource being exchanged and the strength of obligations (Shore, Bommer, Rao & Seo, 2009). In economic exchange, there is clearly defined interactions between participants. These interactions are guided by rewards that are mostly extrinsic in nature. In social exchange on the other hand, there is high level of trust and obligations at a personal level. The rewards in this case are either extrinsic or intrinsic (Blau, 1994). Additionally, while economic exchange is sustained by government regulation, the level of trust between parties sustains parties in a social exchange.

This theory is premised on the notion that behaviour of human beings or social interaction is a process of exchange that entails both intangible and tangible costs and benefits (Homans, 1961). Eisenberger and Rhoades (2002) suggested that principles, strategies and policies sanctioned by management of the organization guide employees to form their own opinions and ideas at the work place. Employees expect to be appreciated and valued in the organization. Consequently, it is envisaged that favourable plans intended to advance the wellbeing of

employees by the organization and management will facilitate a better exchange relationship that creates conditions that obliges the employees to reciprocate in more positive ways (Chiaburu, Diaz & Pitts, 2011; Settoon, Bennett & Liden, 1996).

Social Exchange Theory indicates that behavior and attitudes of staff in their interaction with their employers within the work place are influenced by norms of reciprocity. This shows that people expect a reward for their efforts, thus the greater the efforts put in, the higher the reward to be received in this relationship. Organizations today recognizes staff as critical assets that help in achieving the goals (Aryee, Budhwarand Chen, 2002).

This theory has however been criticised on several grounds (Coyle-Shapiro & Conway 2004; Cropanzano, Rupp, Mohler & Schminke, 2001). The first criticism is that the underlying constructs of Social Exchange Theory have not be clearly established. Many critical variables are ignored in many tests of the theory. Secondly, the theory has some ambiguous formulations resulting into multiple interpretations. Lastly, the theory results into reward seeking and individualistic people in the society.

2.3 Types of Short-Term Employment Contracts

In any organization there are two main groups of employees; those that are usually referred to as the core group and the peripheral group (Connelly & Gallagher (2004). Permanent employees are the core workers. Core workers work under standard employment which according to certain authors e.g. De Cuyper et al., (2008) has some known characteristics which include employment continuity that grant workers some level of job security. Nonstandard or short-term workers are considered to be the peripheral group. They include independent contractors as well as short term employees, Connelly & Gallagher (2004). The two groups of

workers differ in many aspects in terms of working hours, employment contracts terms, benefits award as well as the level of supervision. During periods of increased or decreased productivity, low or high demand of goods and services most of organizations use the peripheral workers.

One of the most common form of short-term employment is temporary fixed term work according to OECD, (2002). These kinds of workers are usually mainly engaged to sit in for permanent employees in pressing circumstances like annual leave or sick off. At times these types of employment are longer than expected which in most cases are renewed severally even though the renewal is never guaranteed, (Bernhard-Oettel& Isaksson, 2005). These types of employees are known for not and if any fewer training opportunities and do not in most cases take part in any decision making like the permanent workers. These types of employment are potentially hinder long-term goal planning, employee commitment as well as career planning (Vahtera, Elovainio, Virtanen, Kivimäki and Virtanen, 2003). Unfavourable employment conditions have been associated with fixed term.

Many organizations around the world are known for the use of on call workers. The immediate emerging needs of organizations are in most cases fulfilled by the use of on-call workers. Mostly, organizations engage this type of workers on a short-term horizon. These workers work on irregular hours which include weekends, nights as well as holidays. This is because an organization only engages them when there is need for extra activities. Studies have revealed that short term contract form of employment are far much riskier than permanent jobs. It is characterised by low level of wages, unreliability and higher degrees of uncertainty (Aronsson, Dallner, Lindh, & Göransson, 2005).

Internship contracts help graduates put their theories into practice hence enhancing their employment competency skills (Dewey, 2011). Institutions of higher education are coming up programs aimed at ensuring that graduates are employable. Graduates are expected to acquire professional competencies which are developed through specific work experiences, trainings, as well as education that one has undergone. Internships enable students to obtain professional competencies required to perform job tasks and make them employable. This helps interns to engage what was taught in class with what is required in practice (National Association of Colleges and Employers, 2011). Organizations use this form of employment which is regarded as cheap in terms of cost as most interns are never remunerated but given stipend for their maintenance. Internship can also be costly in terms of time required to supervise the work of the interns.

There are different definitions of part-time work by different scholars. Many countries use similar definition of part time work to that used in Convention No. 275. Other countries base it on the number of hours worked by the part time workers. This is between 25 hours on every week to 2/3rd of normal full time hours. Comparative evidence suggest that part time work entails being engaged for less number of hours (between 30 to 35 hours every week). Part time employment is a form of employment that is non standard, today, it has gained relevance in the current place of work (Blossfeld, 1997).

Organizations can engage staff on consultancy contracts. Usually, the engaged individuals have special expertise to accomplish some technical tasks. This type of employment is mostly used by employers when they are short of funds and require these expertise which are expensive to attract. These are usually highly skilled individuals in specific sector of activities. They are usually hired whenever the skills required are non-available in house (Galup et al, 1997). Each

contract extends to a time when the goals of the project are attained. The contractual relationship ceases once the project is ended.

Another type of short-term employment is seasonal employment who are often hired to accommodate peak periods. These periods are usually for short-term especially during long annual holidays when demand for certain goods and services are high. It is also during this period that the core workers usually take long leaves and holidays. As a way of filling these gaps, temporary staff are hired by organizations on seasonal basis. According to Makin and McDonald (2000), hiring employees on seasonal basis can sharpen the skills and competence of employees and thus preparing them to take up permanent position in future. Most organizations usually engage students who are on holiday as seasonal workers.

2.4 Measures of Employee Performance

Performance is used in reference to planned and actual goals and objectives. It can be favourable or unfavourable. Performance according to Neely et al. (1995) can be defined in terms of effectiveness and efficiency of activities. Performance helps management to evaluate how things are moving.

David (2011) argued that performance measurement has been the indicator of performance management. Many organizations use performance measures information to benchmark on their quality, this gives an indication on positive or negative performance. Kouzmin (2009) argues that the information provided by the performance management systems can be useful in comparing performance of similar organizations. This is usually attained by comparison of the set and the actual goals. Key performance indicators are used to determine the level of performance in most organizations today.

According to Bommer et. al. (1995) organisations with productive employees produce quality services on every business. Quality of work is one of the measures of employee performance. According to Iaffaldano (1985) percentage of work output can be measured by the quality of work performed. This is always a key measurement of performance and in most cases, the employer looks at the timely completion of projects to the desired outcome. The employer will measure the performance of an employee and gauge each employee differently.

Ilgen (1999) talks of another measure of performance as punctuality of an employee. He says, performance objectives are unlikely to be met when the employee reports late to work or is fond of being absent from the office. This is a working indicator that needs to be handled with lots of caution. Various questions like how fast work is performed and the employee's timeliness in all things will give an indicator to be used in measuring the employee's performance.

Cost-effectiveness of an employee's work is a measure of the performance. The cost of work undertaken should also be used as a measure of an employee's performance only when the employee has some degree of control over costs. For instance, customer-service personnel have stipulated percentage of calls they must make in a day and this is a good training and a good way of gaining experience on how to handle costs in the organization (Kaplan, 1995). Employee's performance is determined by their percentage of tardiness. Ilgen (1999), notes that the performance of an employee is derailed when he/ she is not at work.

The performance of an employee depends on their adherence to policy and values of the company or institution. When an employee works in accordance with the policies of the workplace, then their goals will be aligned with those of the company and they will be able to achieve what the company desires. On the other hand, if the employee deviates from the

existing policies of the company, then their goals will not be aligned with the goals of the company and their performance will not be the desired (Bommer et. al. 1995). According to Maskell (1991), the core values of a company shape an employee's behaviour and this aids in decision making and goal setting.

Creativity is one of the performance indicators that is difficult to quantify when measuring performance. In such kinds of organizations, the supervisors should keep employees track of their creativeness while at the workplace to help measure their performance (Oldham 1996). Oldham (1996) also views innovative thinking as an indicator of employee's performance. Innovative thinking goes hand in hand with creativity. Without innovation there is no competition in any company. This is always an intangible way to measure the outcome of the organization and an individual input.

Allon and Azrin (1965) argued that personal grooming is an indicator of performance in any organization. The outward look, reflects what the inward can do. In most organizations, employees usually dress to their best while going to work but not everyone dresses to their best, some need to be reminded of a few things. Personal grooming spells out a person's performance just from the appearance. This is one of the means to measure the performance of an individual, it gives a clear picture of how organized they are when delivering services in the organization.

Lastly, efficiency is also a key determinant of performance of an employee. In any organization, efficiency helps in accomplishing given amount of work within a specified period regardless of the resources available for the work. Employees are expected to complete their work on time and meet deadlines and this will only be realized when efficiency is considered.

Measuring an employee's efficiency differs dependent on their tasks and responsibilities, but basically, the measure depends on how much work can be completed in a day, week, month or year will help in measuring the performance of an employee (Hartry, 2006).

2.5 Short-Term Employment Contracts and Employee Performance

Parker, Griffin and Sprigg (2002) assessed how employment on contractual basis affected performance of employees. The study was conducted in United Kingdom in automobile sector. The finding of the study was that negative and positive consequences are associated with temporary employment status. The findings suggested that contractual employment terms increased state of job insecurity among employees that adversely affected their morale.

Riphahn and Engellandt (2005) investigated factors informing companies to use short term contractual workers. The study was conducted in the manufacturing sector in Europe. Several circumstances that workers are likely or minimally to be affected were defined by the study.

In Spain, Ortega and Marchante, (2010) conducted a study on the impact of an increase in the use of short-term employees in most firms which gave findings of a slowed down productivity growth. This slowdown was due to an extensive use of temporary employees. There is a substantial correlation between temporary contracts and training in Spain and from a sample of study, it shows that short-term employees who undergo less training before undertaking jobs in the various firm, affect the productivity of the firm because their level of performance is still very low. This derail the production of the firm because the employee must cope with the work much better for the performance to be termed as excellent.

According to Damiani and Pompei (2010) previous studies done to investigate the productivity and effects of temporary jobs across European countries gave mixed findings. To be more

specific, even though the findings had a negative impact on the fixed-term employment, labour provisions that protected fixed-term contracts may have may rubbish the negative impacts because of the increase in temporary workers. From the study, it is evident that there is a positive impact of temporary employment on performance. According to Hirsch and Mueller (2012) they find a u-shaped relationship between temporary agency work and performance. Some scholars argue that low share of temporary workers in an organization could be a way of improving statistical flexibility and screening new workers.

A study was done in Italy by Lucidi and Kleinknecht (2010) on the effects of short-term employment contracts on the labour productivity and performance. The finding showed that labour productivity and growth are significantly related to the high level of flexible workers, high labour turnover as well as lower costs of labour. The study also noted that apprenticeship had impacted positively to the performance and productivity of the firm.

A study was done in Kenya by Wandera (2011) to link short contracts of employment and performance of employees. It was established that short term contracts of employment contributed to reduction in morale of employees, productivity and employee turnover. The study concluded that short-term employment creates feelings of job insecurity especially for the employees that are involuntary temporary workers who wish to transit into permanent jobs at the end of the temporary jobs.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlined how the researcher went along in achieving the study objective. The type of research design adopted with the population and methods used to sample respondents are indicated. The techniques used in collecting data and the analysis of the findings are also provided.

3.2 Research Design

Research design is a structure that guides a researcher in the study. This study used a descriptive design. Descriptive design was appropriate because it gives an account of the way things exist. It helps in answering questions of What? Where? How? When? on the study subjects. This design has enabled the researcher to clearly establish a link between employment contracts that are short term in nature and performance of employees using a case of Humanitarian non-governmental organizations in Nairobi county.

3.3 Target Population

The term population refers to a group of elements that are of similar features that a researcher is interested in (Ngechu, 2004). For the purpose of gathering the required information, the study targetted all short term contracted employees working in humanitarian non-governmental organizations in Nairobi county. According to the Non-Governmental Organization's Coordination Board directory of 2017, there are 2,125 humanitarian non-governmental organizations operating within Nairobi County.

3.4 Sampling and Sample Size

Sampling is the process of selecting representative elements of the population in the study. It is not practical to carry a study using the whole population due to time and resource constraints thus sampling. For calculation of sample size, I employed the under listed formula by Yamane (1967).

$$n = \frac{N}{1 + N(e)^2}$$

Where,

n= the sample size

N = the size of population

e= the error of 5%

As per the formula, the precision error will be 5% with a confidence level of 95%. The sample size from the population will be:

$$n = \frac{2125}{1 + 2125(.1)^2} = 34$$

The study used the above formula to select a sample of 34 humanitarian non governmental organizations operating in Nairobi County. Purposive sampling technique was used to select the 34 humanitarian non governmental organizations and all the employees on short term employment contracts from these 34 humanitarian non governmental organizations were the target population.

3.5 Data Collection

Primary data was collected using questionnaires which were self-administered. The questionnaires were divided into three sections to adequately cover the objective of the study. Section one comprised of questions on the demographic characteristics of the respondents. Section two covered questions on short term employment contracts while section three

addressed questions on employee performance. Questionnaires were administered using a drop and pick later method. Picking was done one week on average from the date of dropping.

3.6 Data Analysis and Presentation

The collected data were cleaned and entered into Statistical Package for Social Sciences (SPSS) for analysis. The findings have been analyzed using means, standard deviation and regression analysis. The adopted regression model took the following form;

$$Y = \beta_0 + \beta X + E$$

Y = Employee Performance (Dependent Variable)

X = Short-term employment contracts (Independent Variable)

β_0 = Constant

β = Regression Coefficient:

E = Error Term (Unexplained variation in the target variable)

CHAPTER FOUR: DATA ANALYSIS, RESULT AND DISCUSSION

4.1 Introduction

This chapter represents the findings and results of the application of the variables using techniques mentioned in chapter three. Specifically, data analysis was in line with specific objective where all required components were investigated, interpreted and results drawn on them. Discussion of the study findings has also been included.

4.2 Response Rate

The presented data was collected from different Non-Governmental Organizations in Nairobi.

Table 4.1:Response Rate

Questionnaires	Frequency	Percentage (%)
Response	160	94
Non-response	10	6
Total	170	100

Source: Research findings, 2018

The study targeted 170 respondents, however, response was received from 160 respondents. The response rate was therefore 94% as shown in the table above. Mugenda and Mugenda (2003) observed that a 50% response rate is adequate for analysis and interpretation. Thus, the response rate was adequate for this study.

4.3 Demographic Information

This comprised of the gender, level of education, age, years of service as well as the type of contract employment the respondents were affiliated to.

4.3.1 Respondents Gender

Table 4.2: Gender Desegregation of Sampled Population

Gender	Frequency	Percentage (%)
Male	89	56
Female	71	44
Total	160	100

Source: Research findings, 2018

The results from Table 4.2 showed that majority of the respondents (56%) were male while 44% were female. This indicates that majority of the respondents in the humanitarian non-governmental organizations in Nairobi county were male.

4.3.2 Level of Education

The researcher wanted to establish whether the respondents level of education influenced the reasons for temporary employment hence the respondents were requested to give information on their education level.

Table 4.3: Level of education

Education	Frequency	Percentage (%)
Postgraduate	21	13
Bachelors	108	68
Diploma	12	8
Others	19	12
Total	160	100

Source: Research findings, 2018

From Table 4.3, majority of the respondents (68%) had attained a bachelors degree, 13% had postgraduate degrees, 12% had attained other relevant qualifications in relation to the positions they were holding the organizations whereas 8% had diplomas. This indicates that majority of

the respondents were knowledgeable and thus provided reliable information regarding short-term employment contracts.

4.3.3 Age Distribution

The age bracket of the respondents was also considered in this study to understand more of the target population. The following were the results obtained.

Table 4.4: Respondents age brackets

Age	Frequency	Percentage (%)
18-25 years	31	19
26-35 years	72	45
36-45 years	45	28
Over 45 years	12	8
Total	160	100

Source: Research findings, 2018

From Table 4.4, majority of the respondents, 45% were aged between 26 and 35 years, 28% were aged between 36 and 45 years, 19% were aged between 18 and 25 years whereas only 8% were aged above 45 years. This indicated that majority of the respondents were of middle age, mainly those freshly had left colleges and were in the job hunt.

4.3.4 Years of employment at current organization.

The respondents years of service in the organization were presented in a frequency table and also in a bar chart as shown below:

Table 4.5: Years of Service

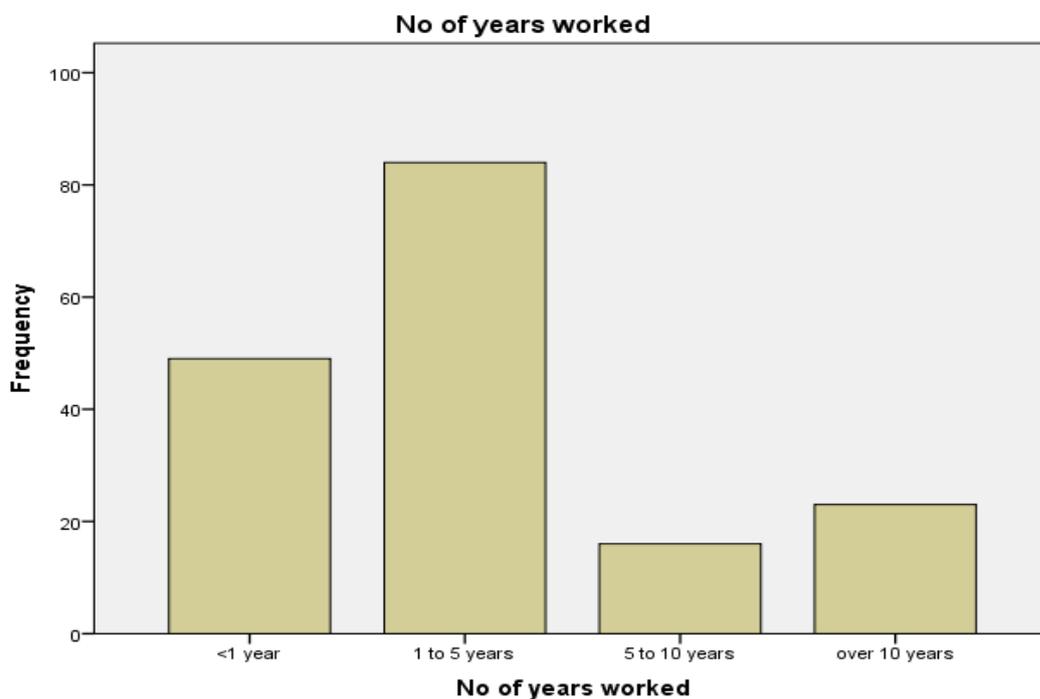
Years Worked	Frequency	Percentage (%)
Less than 1 year	47	29
1-5 years	79	49
5-10 years	13	8
Over 10 years	21	13
Total	160	100

Source: Research findings, 2018

From Table 4.5, 49% of the respondents had worked in the specific organizations for periods between 1-5 years, 29% had worked for less than 1 year, 13% had worked for over 10 years whereas 8% had worked for periods between 5-10 years. This implied that the respondent's contracts of employment mainly lasted 5 years.

The results of Table 4.5 are represented in Figure4.1 below.

Figure 4.1: No. of Years Worked



Source: Research findings, 2018

4.3.5 Types of Short Term Employment Contracts

Table 4.6:Types of Short-Term Employment Contracts

Types of short-term employment contracts	Frequency	Percentage (%)
Consultancy Contract	22	14
Seasonal Contract	6	4
Temporary Contract	30	19
Internship Contract	5	3
Temporary Fixed Contract	97	61
Total	160	100

Source: Research findings, 2018

From Table 4.6 above, majority of the respondents (61%) were on temporary fixed contract, 19% were on temporary contracts, 14% were on consultancy contracts, 4% on seasons contracts and obly 3% were on internship contracts. This implies that majority of the respondents were on temporary fixed contracts.

4.4 Short-term Employment Contracts

The respondents were asked to respond to statements on how employees of humanitarian non-governmental organizations in Nairobi county perceive short-term employment contracts. Different sets of questions were asked on four-point type scale ranging from 1 to 4 where 1= Strongly Disagree, 2= Disagree, 3= Agree, 4= Strongly Agree. The results were tabulated in Table 4.7 below;

Table 4.7: Descriptive Statistics on short term employment contracts

	N	Mean	Std. Deviation
Short term contracting employment is an alternative to unemployment.	160	2.61	.964
Short term contracted employees anticipate long term employment with the organizations that they work for.	160	3.21	.969
Short term contracted employees prefer these types of contracts to long term employment contracts.	160	1.83	.993
Short term contracted employees participate in decision making within the organizations.	160	2.23	1.151
Short term contracted employees can be actively engaged in other duties outside work.	160	3.09	.874
Short term contracted employees can easily separate with the contracting organization.	160	2.49	1.089
Consultancy contracts are preferred to fixed term contracts.	160	2.75	.974
Short term contracted employees have learning opportunities.	160	2.82	.870
Short term contracted employees have no or less benefits.	160	2.62	.992
Short term contracted employees are paid lower than long term employment contracts	160	2.84	.793
Short term contracted employees on different types of short term employment contracts show different levels of effort.	160	2.67	.838
Short term employment often features more monotonous tasks.	160	2.36	.891
Short term employments are used as recruitment channel of potential employees.	160	2.72	1.029
Short term contracted employees are hired as unskilled labour	160	2.08	1.067
In an economic downturn, short term contracted employees are laid off first.	160	3.14	.812
Short term employment contracts are mostly preferred by young people.	160	2.00	.838
Total Average		2.59	0.95

Source: Research findings, 2018

From the findings of this study, the total average mean and standard deviation is 2.59 and 0.95 respectively. This means that the employees of these humanitarian non-governmental organizations in Nairobi county agreed that short-term employment contracts influence employee performance. This was supported by the means and standard deviations of the respective statements on short-term employment contracts. The respondents agreed that short term contracted employees anticipate long term employment with the organizations that they work for with a mean of 3.21 and a standard deviation of 0.969; they also agreed that in an economic downturn, short term contracted employees are laid off first with a mean of 3.14 and a standard deviation of 0.812 and that short term contracted employees can be actively engaged in other duties outside work with a mean of 3.09 and a standard deviation of 0.874. The respondents also agreed that short term contracted employees are paid lower than long term employment contracts with a mean of 2.84 and a standard deviation of 0.793, that short term contracted employees have learning opportunities with a mean of 2.82 and a standard deviation of 0.870, that the consultancy contracts are preferred to fixed term contracts with a mean of 2.75 and a standard deviation of 0.974 and that short term employments are used as recruitment channel of potential employees with a mean of 2.72 and a standard deviation of 1.029. They also agreed that short term contracted employees on different types of short-term employment contracts show different levels of effort with a mean of 2.67 and a standard deviation of 0.838, that short term contracted employees have no or less benefits with a mean of 2.62 and a standard deviation of 0.992 and that short-term contracting employment is an alternative to unemployment with a mean of 2.61 and a standard deviation of 0.964. However, the respondents were in disagreement with the statements that, short term contracted employees can easily separate with the contracting organization with a mean of 2.49 and a standard deviation of 1.089, that short term employment often features more monotonous tasks with a

mean of 2.36 and a standard deviation of 0.891 and that short term contracted employees participate in decision making within the organizations with a mean of 2.23 and a standard deviation of 1.151. They also disagreed that short-term contracted employees are hired as unskilled labour with a mean of 2.08 and a standard deviation of 1.067 and that short-term employment contracts are mostly preferred by young people with a mean of 2.00 and a standard deviation of 0.838. Some of the respondents strongly disagreed that short-term contracted employees prefer these types of contracts to long term employment contracts with a mean of 1.83 and a standard deviation of 0.993.

4.5 Employee Performance

The respondents were asked to respond to statements on how short-term employment contracts affect employee performance. Different sets of questions were asked on four-point type scale ranging from 1 to 4 where 1= None of the time, 2= A little of the time, 3= Most of the time, 4= All the time. The results were tabulated in Table 4.8 below;

Table 4.8: Descriptive statistics on Employee performance

	N	Mean	Std. Deviation
I perform my work with a lot of accuracy.	160	3.60	.668
I consistently adhere to set work schedules.	160	3.49	.671
I proficiently use work related equipment, tools and technology.	160	3.31	.463
I constantly observe the official reporting time	160	3.34	.474
I embrace team work very well	160	3.57	.563
I diligently observe all the polices as required.	160	3.40	.762
I contribute innovative ideas that benefit the organization	160	3.19	.867
I explore and suggest new approaches and methods of completing my tasks.	160	3.13	.844
I possess the required skills and knowledge to perform my job effectively.	160	3.60	.672
I complete my work in a timely manner.	160	3.34	.543
I ensure that my personal hygiene is to the expected standard	160	3.64	.550
I contribute to the overall goal of the organization	160	3.48	.567
I get support from my team whenever I need it	160	3.37	.602
I work under minimum supervision	160	3.64	.482
I relate well with my supervisor	160	3.58	.496
My team is an inspiration for me to do my best at the job	160	3.30	.648
I receive constructive feedback from my manager	160	3.48	.616
Total Average		3.44	0.62

Source: Research findings, 2018

From the findings of this study, the total average mean and standard deviation is 3.44 and 0.62 respectively. This means that the employees of these humanitarian non-governmental organizations in Nairobi county indicated that most of the time short-term employment

contracts affect employee performance. This was supported by the means and standard deviations of the respective statements on the performance of employees. From the findings, the respondents stated that all the time they ensure that their personal hygiene is to the expected standard as indicated by a mean of 3.64 and a standard deviation of 0.550, they work under minimum supervision as indicated by a mean of 3.64 and a standard deviation of 0.482 and that they perform their work with a lot of accuracy with a mean of 3.60 and a standard deviation of 0.668 all the time. The respondents also stated that they possess the required skills and knowledge to perform their job effectively as shown by a mean of 3.60 and a standard deviation of 0.672, they relate well with their supervisors as shown by a mean of 3.58 and a standard deviation of 0.496 all the time and that they also embrace team work very well with a mean of 3.57 and a standard deviation of 0.563 all the time. On the other hand, the respondents indicated that most of the time they consistently adhere to set work schedules as indicated by a mean of 3.49 and a standard deviation of 0.671, most of the time they contribute to the overall goal of the organization as shown by a mean of 3.48 and a standard deviation of 0.567, they receive constructive feedback from their managers as indicated by a mean of 3.48 and a standard deviation of 0.616 and that they diligently observe all the polices as required with a mean of 3.40 and a standard deviation of 0.762 most of the time. They also indicated that most of the time they get support from their team whenever they needed it as indicated by a mean of 3.37 and a standard deviation of 0.602, that most of the time they constantly observe the official reporting time with a mean of 3.34 and a standard deviation of 0.474; most of the time they complete their work in a timely manner as indicated by a mean of 3.34 and a standard deviation of 0.543; most of the time they proficiently use work related equipment, tools and technology as indicated by a mean of 3.31 and a standard deviation of 0.463 in performing their work. They also stated that most of the time their teams are an inspiration for them to do their best at the job as shown by a mean of 3.30 and a standard deviation of 0.648; that most of the time

they contribute innovative ideas that benefit the organization as shown by a mean of 3.19 and a standard deviation of 0.867 and that most of the time they explore and suggest new approaches and methods of completing their tasks as indicated by a mean of 3.13 and a standard deviation of 0.844.

From the above findings, the respondents allocate most of their time on work related activities and also use set rules all the time for effective output and outcome at work place. These correspond to the findings by Damiani and Pompei (2010) that there is a positive impact of temporary employment on employee performance.

4.6 Short Term Employment Contract and Employee Performance

The study conducted regression analysis to determine the relationship between the independent variable (short-term employee contracts) and the dependent variable (employee performance) in humanitarian non-governmental organizations in Nairobi County. The following analysis was made;

4.6.1 Model Summary

Table 4.9:Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.845 ^a	.714	.712	.192

a. Predictors: (Constant), Short-term Employment Contracts

Source: Research findings, 2018

The adjusted R Squared also called the coefficient of multiple determinations, is the percent of the variance in the dependent variable explained uniquely or jointly by the independent variable. From Table 4.9, the R Square is shown by 0.714 and the R is shown by 0.845. This

implies that R Square is 71.4% and hence the short-term employment contracts explain 71.4% of the employee performance.

4.6.2 Short-term Employment Contracts Coefficients

The regression coefficients were used to determine the regression equation established by the independent variable, short-term employee contracts and the dependent variable, employee performance.

Table 4.10:Short Term Employment Contracts Coefficients

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	2.267	.131		17.297	.000
	Short-term Employment Contracts	.545	.027	.845	19.838	.000

a. Dependent Variable: Employee Performance

Source: Research findings, 2018

From the regression model of this study $Y = \beta_0 + \beta X$;

From Table 4.10, the model thus becomes;

$$Y = 2.267 + 0.545X$$

The findings of this study indicate that holding other factors constant, a unit change in short-term employment contracts will lead to 0.545 unit change in employee performance in humanitarian non-governmental organizations in Nairobi County.

At 5% significance level, the P value was 0.000 which was less than 0.05 and hence the model was statistically significant in predicting employee performance. Thus, the variables were also significant at 95% significant level ($p < 0.05$).

4.7 Discussion of Results

The findings were that job insecurity and expected termination of contracts lowered the employees' morale and this made them unproductive whenever this happened. The study revealed that when expected confirmation of permanent employment delays, the employees get psychologically tortured and this reduces their level of productivity. This finding compliments the argument of Freese and Kroon (2013) that involuntary temporary workers usually accept these temporary positions in anticipation of being absorbed by the employers into permanent employment. The employees therefore use these temporary employments as stepping stone.

The results of this study are in line with the findings of the studies conducted by Feldman (1990) and Parker (1994). Through their studies, they found out that temporary employment contracts create a feeling of divided feeling of unfairness which affects their productivity.

The findings are also consistent with the findings for a study by Wandera in (2011) at Kenya Forest Services who concluded that short term employment translates to unplanned employee turnover, demotivated employees and reduced employee performance.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter outlines summary of findings, conclusions made from the study, recommendations, limitations of the study and finally suggestions for further studies.

5.2 Summary of findings

The objective of the study was to establish the influence of short-term employment contracts on employee performance in humanitarian non-governmental organizations in Nairobi County. The results were determined with primary data acquired from 160 respondents out of the targeted 170 of the employees of humanitarian non-governmental organizations in Nairobi County. This amounted to a response rate of 94% which was adequate for the study. Among the respondents, majority were male who had attained Bachelor's Degree, aged between 26-35 years and had worked in the various organizations for periods between 1-5 years. Majority of the respondents were involved in temporary fixed contracts in the various humanitarian non-governmental organizations.

The findings on short-term employment contracts indicated an agreement from the respondents that short-term contracted employees anticipate long term employment with the organizations that they work for, that during economic downturn, short term contracted employees are laid off first and that short-term contracted employees can be actively engaged in other duties outside work with ease. On the contrary, some of the respondents strongly disagreed that short-term contracted employees prefer these types of contracts to long-term employment contracts.

The findings on the influence of short-term employment contracts on employee performance indicated that all the time, the respondents ensure that their personal hygiene is to the expected

standard, work under minimum supervision and they perform their work with a lot of accuracy. The findings also indicate that the respondents possessed the required skills and knowledge to perform their job effectively, they relate well with their supervisors and that they also embrace team work very well all the time. The findings also indicated that the employees of humanitarian non-governmental organizations in Nairobi county most of the time were an inspiration to their teams and contributed innovative ideas that were beneficial to the organization.

The regression analysis findings indicated that holding all factors constant, the employee performance would be constant at 2.267; and that holding all other factors constant, increasing short-term employment contracts by a unit will increase the performance of employees by 0.545. The positive regression coefficient is an indication that a direct proportionality in the increase of short-term employment contracts will lead to subsequent increase in the performance of employees.

5.3 Conclusions

Short-term employment contracts were found to influence the performance of employees. This influence is both negative and positive to employee as well as the organization. That is, employees on short-term employment contracts were able to diligently observe the required policies, be accurate in their work, contribute to the organizational goal and are able to work under minimum supervision. This makes them liable and responsible in conducting their work and as a result, they improve on their performance. Employees get into these types of contracts and perform to the best of their ability in anticipation of permanent employment whenever opportunities arise. Most of the employees had their contracts renewed whenever they came to an end. This made their performance level to be as per the level of expectation. Hence, it can

be confirmed that a positive relationship with performance is as a result of employment continuity.

On the other hand, negative influence is seen where the employees on short-term employment contracts are laid off during economic downturn. This potentially hinders long-term goal planning, employee commitment as well as career planning. In the event that the anticipated permanent contract is delayed or withdrawn, this demotivates the employees and creates the feeling of unfair treatment when they compare themselves with the permanent employees. Quality and quantity of their work/services are at this point compromised, the level of commitment and any expected innovative ideas are withheld. Their focus changes and a lot of energy is directed into alternative job search with other employers.

The study concludes that some factors such as job insecurity, uncertainty and unpredictability of these short-term employment contracts lead to employee's underperformance. Most of these employees also struggle with poor well-being at the work place which makes them unable to perform as required. Poor performance and overall unfavourable outcomes are usually known to be associated with job insecurity.

5.4 Recommendations

This study focused on the influence of short-term employment contracts on employee performance in humanitarian non-governmental organizations in Nairobi. Based on the results, the study recommends that those organizations using short-term employment contracts should enact a policy that protects short-term contracted employees from losing their jobs but giving them priority when positions fall vacant and needs to be filled. This increases the performance level of short-term contracted employees in anticipation of permanent employment.

The study recommends that constant update on the fate of employee's contract extensions should always be communicated to clear off the uncertainty that comes with speculations of loss of jobs. There should be skills advancement of the short-term employees by their employers, as this enables them to perform better and also enhances their employability by other employers upon expiry of their short-term engagements.

The researcher also recommends that the humanitarian non-governmental organization should carry out periodic reviews on compensation and benefits offered to the short-term contracted employees to bridge the experience gap between the two types of employment contracts. This can bring about some feeling of fairness hence improved performance.

5.5 Limitations of the study

There were several limitations encountered by the researcher that restricted access to the required information for the study. One of the limitations was time constraint. There was limited time for undertaking data collection for the research. However, the limitation was countered by engagement of two research assistants. Another challenge was getting information of those who were on short term employment contracts within the selected organizations. The researcher had to go through their respective human resource personnel which took some of the research time. Due to the nature of the employment contracts that the respondents have, the questionnaires were never collected on the same dates and therefore more than one visit had to be made to the organizations changing the availability of the respondents. As a result, this prolonged the period for the data analysis from the expected/allocated time.

Respondents' bias can't be ruled out for this study. Confidentiality was a limiting factor as respondents were not able to give critical information for fear of victimization by their employer/superiors especially since they were on short-term employment contracts. However, the respective respondents were assured that the use of the data was purely for academic research and that their identities would remain anonymous.

Generalization limitation: This study was conducted on humanitarian non-governmental organizations in Nairobi County and hence the result, findings and conclusions drawn may not be applicable to other humanitarian non-governmental organizations in the various counties in Kenya. With the different counties facing different economical and geographical challenges, the results and conclusions obtained for Nairobi county are thus not generalizable.

5.6 Suggestions for further study

This study suggests some lines of enquiry for further research. The research only involved 34 humanitarian non-governmental organizations in Nairobi county. This sample can be broadened regarding more or all counties in Kenya. The findings would provide better grounds on which to confirm if the results of this research can be generalized across the whole country.

Additionally, further research can determine if the findings of this research are consistent across similar institutions outside the Kenyan borders. The operating environment in Kenya is unique in many ways and may have significant impact on the influence of short term employment contracts on employee performance. A research involving short-term employment contracts and its influence on employee performance in humanitarian non-governmental organizations within East African member states would broaden the scope of this work and add

value not only to the academic thought but also to the existing humanitarian non-governmental organizations that may want to consider the use of short term employment contracts.

The researcher suggests that a broad-based study covering all humanitarian non-governmental organizations in Kenya be conducted focusing on a specific type of short term employment contract evaluating its influence on employee performance. Future study could be carried out to compare how both permanent and short term employment contract influence employee performance in humanitarian non-governmental organizations in Nairobi County.

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ANNEX 1- QUESTIONNAIRE

Dear respondent, this academic questionnaire is designed to generate information on the effects of short-term employment contracts on employee performance in humanitarian non-governmental organizations in Nairobi. As one of the identified respondents, you are hereby requested to complete it. Any information given with respect to this request shall be treated with strict confidentiality and respondent identity will not be divulged. Please tick or fill as appropriate.

Section I: Demographic Information

1. Gender

Male ()

Female ()

2. Highest level of education

Post graduate Degree ()

Bachelor's Degree ()

Diploma ()

Certificate ()

Others ()

3. Age

18 – 25 Years ()

26 – 35 Years ()

36 – 45 Years ()

Over 45 years ()

4. Number of years worked in your current organization

Less than 1 year ()

1 to 5 years ()

5 to 10 years ()

Over 10 years ()

5. Which type of employment contract do you hold?

Consultancy contract ()

Seasonal contract ()

Temporary on call contract ()

Internship Contract ()

Temporary Fixed contract ()

Section 2: Short-term Employment Contracts

The statements presented below describe how employees of humanitarian non-governmental organizations in Nairobi county perceive short term employment contracts.

Please indicate the extent to which you agree with each of the statements by ticking “√” in the appropriate box (from 1 to 4); where:

1= Strongly Disagree (SD);

2 = Disagree (D);

3 = Agree (A);

4 = Strongly Agree (SA)

		1	2	3	4
1	Short term contracting employment is an alternative to unemployment.				
2.	Short term contracted employees anticipate long term employment with the organizations that they work for.				
3.	Short term contracted employees prefer these types of contracts to long term employment contracts.				
4.	Short term contracted employees participate in decision making within the organizations.				
5.	Short term contracted employees can be actively engaged in other duties outside work.				
6.	Short term contracted employees can easily separate with the contracting organization.				

7.	Consultancy contracts are preferred to fixed term contracts.				
8.	Short term contracted employees have learning opportunities.				
9.	Short term contracted employees have no or less benefits.				
10.	Short term contracted employees are paid lower than long term employment contracts				
11.	Short term contracted employees on different types of short term employment contracts show different levels of effort.				
12.	Short term employment often features more monotonous tasks.				
13.	Short term employments are used as recruitment channel of potential employees.				
14.	Short term contracted employees are hired as unskilled labour				
15.	In an economic downturn, short term contracted employees are laid off first.				
16.	Short term employment contracts are mostly preferred by young people.				

Section 3: Employee Performance

The statements presented below describe how short-term employment contracts affect employee performance. Please indicate the extent to which you agree with each of the statements by ticking ‘√’ in the appropriate box (from 1 to 4); where:

1= None of the time;

2 = A little of the time;

3= Most of the time

4 = All the time

		1	2	3	4
1.	I perform my work with a lot of accuracy.				
2.	I consistently adhere to set work schedules.				
3.	I proficiently use work related equipment, tools and technology.				
4	I constantly observe the official reporting time				
5.	I embrace team work very well				

6.	I diligently observe all the polices as required.				
7.	I contribute innovative ideas that benefit the organization				
8.	I explore and suggest new approaches and methods of completing my tasks.				
9.	I possess the required skills and knowledge to perform my job effectively.				
10.	I complete my work in a timely manner.				
11.	I ensure that my personal hygiene is to the expected standard				
12.	I contribute to the overall goal of the organization				
13.	I get support from my team whenever I need it				
14.	I work under minimum supervision				
15.	I relate well with my supervisor				
16.	My team is an inspiration for me to do my best at the job				
17.	I receive constructive feedback from my manager				

Thank you.