

**THE INFLUENCE OF INSTITUTIONAL FACTORS AND JOB RELATED
ATTITUDES ON THE RELATIONSHIP BETWEEN EMPLOYEE
EMPOWERMENT AND PERFORMANCE OF PUBLIC UNIVERSITIES IN
KENYA**

MARY PENINAH IBUA

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DECLARATION

I declare that this research Thesis is my original work and has not in its entirety or in part been submitted to this or any other university. All the sources used herein are duly acknowledged.

Signature _____ **Date:** _____

Mary Peninah Idua

D80/60225/2010

This thesis has been submitted with our approval as the University Supervisors

Signature _____ **Date:** _____

Prof. Peter K'Obonyo

Professor of Management

Department of Business Administration

School of Business

University of Nairobi

Signature _____ **Date:** _____

Prof. Martin Ogutu

Associate Professor

Department of Business Administration

School of Business

University of Nairobi

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The author can be contacted on:

Mary P Idua

P. O. Box 41449 – 80100

MOMBASA

Kenya

Email: ibuamary@ymail.com

DEDICATION

**TO GOD ALMIGHTY BE THE GLORY FOR GREAT THINGS HE HAS DONE,
AND FOR HIS FAVOUR AND GRACE**

Special dedication to my late daughter Riziki Esther Idua and late Mum Isabella Burugu who I miss very much: Till we meet.

To my dear husband Elijah Idua who inspired me and supported me throughout the exercise.

To my dear and lovely son Dr Steven Mrefu Idua who gave me hope and always encouraged me to soldier on. May God our Father and Lord Jesus Christ Bless You All.

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ACRONYMS AND ABBREVIATIONS

CUE (CHE)	Commission of University Education (Commission of Higher Education)
DVC	Deputy Vice Chancellor
GOK	Government of Kenya
HPWT	High Performance Work Teams
HRM	Human Resource Management
IT	Institutional Theory
JKUAT	Jomo Kenyatta University of Agriculture and Technology
JS	Job Satisfaction
KANU	Kenya African National Unity
KU	Kenyatta University
MOHEST	Ministry of Higher Education, Science, and technology
MMUST	Masinde Muliro University of Science and Technology
OC	Organization Commitment
PC	Performance Contract
PE	Psychological Empowerment
RG	Revenue Growth
RBV	Resource Based Theory
SE	Structural Empowerment
TUK	Technical University of Kenya
TUM	Technical University of Mombasa
UASU	University Academic Staff Union
UoN	University of Nairobi

ABSTRACT

The research aimed at assessing the influence of employee empowerment on performance of Public Universities in Kenya, and to determine the moderating role of institutional factors on this relationship, and to determine the mediating role of job-related attitudes on this relationship. This study was carried out against a background of change in the public universities with the introduction of Public Universities Act 2012 which streamlined all the activities of Kenyan universities. A review of extant conceptual and empirical literature was done and hypotheses formulated. A positivist paradigm using descriptive research design was used. The population comprised the staff of Chartered Public Universities in Kenya 2013. Proportionate random stratified sampling and multi stage sampling was used. A sample size of 1,011 staff was selected from employees of Chartered Public Universities in Kenya. The literature review revealed that a number of studies have been conducted on the predictors and antecedents of employee empowerment and performance. However, these studies did not examine any integration between them. The objective of this study was to explore the integrated relationship amongst the variables. A structured questionnaire with Likert-type interval scale anchored on a five-point scale was used to collect primary data. Descriptive statistics were computed for organizational data and the main characteristics of the study variable. Data was presented in tables, charts and figures. Hypotheses were tested using Pearson's product moment, simple linear regression, stepwise and multiple regression and change statistics for data analysis and tests. The results revealed that employee empowerment, institutional factors, and job-related attitudes have a positive relationship with the performance. The strength of the relationship between employee empowerment and organizational performance was found to be moderated by institutional factors. However Job-Related Attitudes was found not to mediate the influence of employee empowerment and organizational performance. Using ANOVA and F-test the study showed that the influence of employee empowerment on organizational performance was linear and was statistically significant. The results confirmed that the joint effect of employee empowerment, job-related attitudes and institutional factors on performance was greater than the individual effects of each variable on performance of Public Universities in Kenya. This study contributes to the understanding of the link between employee empowerment and organizational performance, while at the same time it confirms the findings of previous studies on a similar subject. The study also contributes to knowledge by empirically confirming that job-related attitudes are not mediators of the influence of employee empowerment on organizational performance contrary to previous studies. The study highlights an increased understanding that the combinative effect of the study variables is greater than the individual effects. Involvement in decision-making and autonomy coupled with enabling structures and leadership should be considered if employees are to be empowered and their contributions to count. Universities should

strengthen their empowerment programs and support staff in pursuit of their development. The study also confirms that as structural empowerment increases it is associated with increases in psychological empowerment in the workplace. Further, as empowerment increases employees become more engaged and this is believed to have a significant impact on their productivity. Empowered employees are motivated workers, which contributes to overall performance in the Public Universities in Kenya. Future research should seek to concentrate on other institutional factors such as democratic and contingency leadership styles. Consider use of longitudinal research design. Replication of the study in other sectors and examining the relationship between employee empowerment could serve as useful reference for future.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Kenya being a developing country in Sub-Saharan Africa has undergone profound changes in management of public organizations. The government of Kenya acknowledges that over the years there has been poor performance in the public sector. Some of the factors that have affected performance in public institutions include: tribalism, corruption, excessive controls, frequent political interference, nepotism, mismanagement of the human resource and other resources (GoK, 2005). In recent years however, there have been major changes undertaken such as: introduction of performance contracting, performance ranking of public sector institutions based on agreed criteria and devolving of services. These changes have been seen as a tool aimed at improving accountability, transparency, efficiency and effectiveness in delivery of quality services, and improving efficient utilization of resources to improve overall performance. Further, the Kenya Vision 2030 strategy was crafted as a blue print to catapult Kenya into the next millennium. However, such expectations cannot be automatically realized. In response to these changes managerial approaches should embrace strategies that will foster empowering employee and stimulating employee behavior towards achievement of these goals.

The changes in public organizations have made human resources to be viewed from a different perspective. The public sector institutions including public universities are constantly under internal and external pressures that influence the necessity for potential change in the human resource management policy. Gore (1996) stated that the performance contracts in the USA federal government for example, have changed the way managers and bosses do their jobs. Managers have changed their attitudes towards employees by encouraging them to participate more by being innovative, and in delivery of quality service to the customers. This has led to employees connecting with the organization, enhanced feeling of empowerment, which has led to improved organizational performance.

Extant literature on employee empowerment discusses the subject of empowerment as human resource practice and empowerment as a motivating factor. From a human resource practice viewpoint, empowerment is described in terms of total human resource development and engagement. The organization has a responsibility to create conducive work environment which fosters the ability and desire of employees to act in an empowered way. At the same time remove barriers that limit the ability of staff to act in an empowered way (Fox, 1998). As a management approach to motivation empowerment is explained just as a result of evolution in the management field and as a result of new knowledge to meet new challenges. Concurrently empowerment has been used to refer to employee involvement, employee engagement, and employee participation that was initially adopted in management theories of human relations and motivation (Hug and Hill, 2004; Wilkinson, 1998). The term continues to be used to refer to issues of giving employees more power and control. Employee empowerment describes all activities related to human capital management in the organization.

The relationship between employee empowerment and performance has been a key issue in understanding the effectiveness of organizations. Indeed this relationship has been studied since the pioneering work of Kanter (1977; 1983) and Spreitzer (1995). Many researchers (Thomas and Velthouse, 1990; Randolph, 2000) have recognized that empowerment is evidenced by organizational members who are inspired and motivated to make meaningful contributions and who have confidence that their contributions will be recognized and valued. In Kenya for example empowerment programs have been put in place in some organizations in the private sector and in multinationals; however the practice in public sector is a challenge due to inflexibility of the system and conditions necessary to make such an approach successful.

The concept of empowerment in the workplace has become a major theme in most organizations today. It has spurred scholarly debate by human resource and management practitioners who assert that empowerment increases performance in organizations. Effective employee empowerment practices and strategies nurture favorable employee attitudes and this not only contributes to job satisfaction but also lead to organization commitment (Nick et al. 1994). In defining empowerment, Randolph (2000) refers to

empowerment as a means of transferring sufficient and appropriate power to employees and making resources available to enable them succeed in their jobs. Hill and Huq (2004) contend that empowerment simply means giving employees a voice. Several studies (Spreitzer, 1995; Argyris, 1998; Kanooni, 2005) concur that empowerment exists when a person perceives that they have freedom and authority to perform their job effectively. Consistent with empowerment theory, psychological and structural theories of empowerment, researchers agree that the core element of empowerment is giving employees latitude over certain related tasks (Wilkinson, 1998). Peters (1989) confirms the empowerment concept by positing that “involve everyone in everything”, and contended that lead by empowering people. Further Vogt and Murrell (1990) state that empowerment is the period of improving the decision making ability of the employees through cooperation, sharing information, training, autonomy and intellectual capacity.

Despite the growth of empowerment in the last few years its effect still remains ambiguous. More than 25% of organizations surveyed by Lawler et al. (2001) study reported no significant empowerment-oriented practices in their organizations (Spreitzer and Doneson, 2005). Moreover those who have introduced empowerment practices often find it difficult to build genuine employee empowerment practices (Spreitzer and Quinn, 2005). Although there have been reports of success and failure of employee empowerment there has been little rigorous research on its antecedents and its consequences (Menon, 2001). Consistent with the stream of empirical studies examining the relationship between empowerment and performance there is evidence to suggest that empowerment initiatives do not always deliver expected outcomes for organizations, management, or for individuals (Claydon and Doyle, 1996). Wilkinson (1989) argues that while there are many programs labeled as empowerment most are designed not to give employees a very significant role in decision making; but rather to secure an enhanced employee contribution to the organization. From the foregoing discussion the debate on whether empowerment leads to improved performance is still inconclusive. Consequently, performance may be as a result of a combination of empowerment and other institutional factors such as strategy, structure, culture, and leadership types. As such there is need for further research to ascertain if indeed these factors have influence on the relationship between empowerment and performance.

Most studies on empowerment have been done in developed countries' contexts (Rothman and Coetzer, 2003). However few studies have been carried out in Asia and Africa. In Kenya, the few studies done have mainly focused on employee empowerment and performance but no known study to the researcher have incorporated factors such as strategy, structure, culture and leadership types. In this era of globalization empowerment is important for the universities to enable them respond quickly to any changes in macro-environment. With introduction of public sector reforms and performance contracting, the government expects to have an efficient and motivated workforce to serve the public.

Currently, universities have attracted unprecedented public scrutiny and have encountered challenges in their performance such as: increase in student numbers, scarce resources, staff turnover, weak capital outlays, industrial disputes and 'brain drain'. With increased student numbers this translates to large work-loads for the staff which leads to staff burnout and affect performance. To tackle these challenges, universities need to be strategic and to realize the importance of human resource as an important resource (asset) in order to gain competitive advantage. This is in agreement with the Resource-Based View (RBV) theory which has shifted emphasis in strategic literature away from external factors such as industry position toward internal firm resources such as human resources as a source of competitive advantage (Dunford et al., 2001). Acceptance of internal resource as a source of competitive advantage has brought legitimacy to Human Resource (HR) assertion that people are strategically important to an organizations' success (Dunford et al., 2001). Human resource is an internal asset that creates value in the organizations' systems to achieve desired results (Pfeffer, 2013).

This study is driven by empowerment, structural and psychological empowerment theories, and institutional theory. Theoretical works on employee empowerment indicate that empowering staff is one of the critical success factors in the organization (Spreitzer, 1995; Kanter, 1989). Employees need to perceive that they have been given power and authority to make decisions concerning their work, and in performing tasks (Conger & Kanungo, 1988). The organizations strategies and structures must be enabling and should fit the environment to achieve better performance.

The current study focused on the influence of employee empowerment on performance of chartered public universities in Kenya. The relationship is moderated by institutional factors and mediated by job-related attitudes.

1.1.1 Employee Empowerment

The management perspectives on empowerment have a long history and offer a set of tangible practices that can pull to improve performance (Spreitzer, 1995). Organizations are implementing employee empowerment practices with the hopes of building employees' commitment, overcoming dissatisfaction and reducing absenteeism turnover, poor quality of work, sabotage and giving employees greater autonomy in their work. The practices include training, participation, decision making, delegating provision of resources communication and team working (Huselid, 1995). Organizations have to build a fit between the people and empowerment practices.

A review of previous studies (Huselid, 1995; Youndit et al., 1996) reveal that HRM is no longer concerned with simply executing a standard set of policies and procedure. Rather it requires questioning and understanding the relationships between choices in managing people, the strategies and goals of the organization and possibilities presented by the external environment. Interest in the belief that individual performance affects organizational outcomes have intensified with the argument that organizations employees provide a unique source of competitive advantage that is difficult for competitors to imitate (Barney, 1991; Omari, 2012).

The notion of empowerment involves the workforce being given a greater degree of flexibility and freedom to make decisions in organizations (Awan et al. 2011). Empowerment differs in definition based on individual perception and understanding. Conger and Kanungo (1988); Thomas and Velthouse (1990); Spreitzer (1995), tried to explicitly define empowerment as giving authority to employees or to delegate legal power to them so as to commission and authorize them in their task performance (Spreitzer, 1995). Fox (1998) opined that empowerment is a process of risk taking, growth, change, and understanding employees' needs.

Although the definitions are diverse there seem to be convergence amongst scholars that empowerment is largely contextual and is a social construct nested in how an individual integrates perceptions of personal control, power and environment.

Prior studies have investigated the dual relationship between empowerment and performance and proposed that empowerment of employees may benefit their performances in various ways such as employee satisfaction, organizational commitment and motivation of employees (Spreitzer, 1995; Yang and Choi, 2009). Empowerment has been designed with twin purposes of increasing productivity and commitment to employers' goals and is largely managerially driven. Conger and Kanungo (1988) have suggested that empowerment of employees can be a powerful motivation tool by providing them with control and a sense of accomplishment.

Scholars propose that there are two dimensions of empowerment: the structural and psychological approaches. Structural Empowerment (SE) (Kanter 1977; 1983) proposes that employees' work behavior arises from conditions and situations in the work place, and not from personal attributes. The structural view focuses on empowerment management practices of delegation of decision-making, access to information, support, power, and resources availability. Psychological Empowerment (PE) on the other hand is defined as a motivational construct manifested in four cognitions: meaning, competence, self-determination, and impact (Thomas and Velthouse, 1990). Spreitzer (1995) argues that these four cognitions reflect an active, rather than a passive, orientation toward a work role. Spreitzer (1995) who built her work upon Thomas and Velthouse Model (1990) by developing and validating a multidimensional measure of empowerment in workplace concluded that the four cognitions measure psychological empowerment. An employee with empowered state of the mind experiences feelings of control, awareness and accountability. This study is anchored on both structural and psychological approach to empowerment.

According to Wilkinson (1998), employee empowerment not only affects performance by facilitating the development and functioning of organizations but also impacts upon the behavior of the employees.

However there is no single mode of employee empowerment that is universally applicable across countries. Employee empowerment varies not only across countries but also across industries/sectors and cultures.

1.1.2 Institutional Factors

Institutions do not operate in a vacuum, they operate in a context where there are existing factors in which may influence the relationship between variables. These variables have to be controlled. These variables are within the organizations' ability to manipulate so as to achieve the organizations objectives. Such variables may include strategy, structure, size age, union, culture, leadership, resources and others within reach of management (Galbraith, 2002). Every organization has a unique internal and external environment where these factors play a critical role in overall performance of the organization.

Institutional factors have been theorized in literature to be potentially important determinants of empowerment and performance in an organization (Greenwood and Suddaby, 2006). Institutional factors are the process by which structures, schema, rules, norms, and routines become established as guidelines for social behavior (North, 1990; Scott, 2004). Drawing on proposition of institution theory (Meyer and Rowan, 1991; Suchman, 1995) postulates that performance increases legitimacy because it shows how well a firm is fulfilling its roles in society. In this regard, Greenwood and Suddaby (2006) concurs that institutions set the conditions under which the process of empowerment works. Employees in universities are governed by a number of such institutional factors, the most prominent among them being structures, strategies, organization culture, leadership, practices and policies. Galbraith (2002) concurs that these factors play a crucial role in the overall performance of the organization. North (1990) further postulates that institutions reduce uncertainty by providing a structure to everyday life for they provide structures, strategies and organization culture.

Further, organizations survive and succeed through interaction between them and their environment (Scott, 2004). Arguably, most related literature has looked at profit making organizations in developed western countries which have advanced and clear structures, culture and strategies. In view of theoretical studies depicting the importance of

institutional factors on the operation of an organization, it is important to understand the relative effect these institutional factors have on the relationship between employee empowerment and performance in an organization especially in a developing country scenario and in the universities.

1.1.3 Job-Related Attitudes

Job-related attitudes are evaluative tendencies towards aspects of work that are based on clusters of feelings, beliefs and behavioral intentions. A number of studies in management have highlighted that employee empowerment is positively related to job satisfaction, organization commitment and performance (Wright and Kim, 2004; Kidombo, 2007; Fernandez and Moldogaziev, 2011). Armstrong (2006) observed that job-related attitudes as defined by job satisfaction and organization commitment has far reaching impact on organizational performance. Kidombo (2007) posits that organizations have to move from the traditional oriented approach of handling employees to commitment-oriented approach of managing people. Spreitzer et al. (1995); Yang and Choi (2009) concur that empowerment is positively correlated to job satisfaction, organizational commitment and performance.

Meyer and Allen (1991) described job satisfaction as the pleasurable feeling arising from ones' workplace. Job satisfaction is expressed as the positive emotional state that results from an employees' appraisal of their work situation. It is widely accepted that an employees' performance is closely related to the overall satisfaction of the task at hand and is therefore an invaluable concept that an organization must invest. Mullins (1999) posits that job satisfaction is associated with personal feeling of achievement, either quantitative or qualitative. Job satisfaction proponents (Meyer and Allan, 1991; Silva 2006) state that job satisfaction is affected by several variables such as: organizational factors (size, structure, leadership style, strategy, and management systems), social factors (interpersonal relationships among co-workers, culture attitude), individual factors (personality, age, qualifications, and abilities) and environmental factors (rules and regulations).

According to Saari and Judge (2004) job satisfaction is the product of the events and conditions that people experience on the job. The human resource understands the importance of the work situation as a cause of employee attitude and HR can help to influence through organizational programs employees' attitude (Saari and Judge, 2004). Previous studies reveal that some factors that enhance job satisfaction include increasing the number of skills that individuals use while performing work, enabling people to perform a job from start to finish, providing work that has a direct impact on the organization, the degree of decision making, the freedom to choose how and when work is done and increasing the amount of recognition (Weiss et al., 1996). Employees overall job satisfaction is an aggregate of what they desire and expect, and what the job offers.

Organization commitment (OC) is a set of behavioral intentions or an attitude which shows the extent to which an employee is committed to their work. Mowday et al. (1979) described organization commitment as individual's identification with, and involvement in decision making within an organization characterized by a strong belief in and acceptance of the organizations' goals and values, and a willingness to exert considerable effort on behalf of the organization (Mowday et al., 1979). Commitment has been examined as a determinant of job performance and organization citizenship behavior (Meyer et al. 2004). Employees who feel empowered are likely to be committed to the organization hence enhancing performance. Commitment is critical to the organization because organizations invest a lot of resources on training and development of staff hence retaining employees will lead to increased performance.

Literature reviewed on organization commitment indicate that workforce stability, low rate of absenteeism and turnover, decreased intention to leave, and increased organizational citizenship behavior are all linked to organization commitment, and this affects performance in the organization (Steers, 1977; Mowday et al 1982; Cohen, 1993). Whilst most of organization commitment outcomes benefit the organizations, there are some benefits to the individual employees as well. A study by Begley and Czapka (1993) found that when organization commitment was low employees, felt job displeasure due to stress of the job, on the other hand when organization commitment was high they felt good about their jobs and intention to leave was low. Organization commitment is

impacted on by empowerment. Empowered employees tend to perform better, work harder, efficiently and tend to stay in their jobs. Scholars (Mowday, Porter and Steers, 1982; Meyer and Allen, 1991; Ramlal 2004) concur that work related factors are a major determinant of job satisfaction, organizational commitment and turnover intentions among employees.

Meyer and Allan (1997) propose that there are three categories of commitment namely: normative commitment refers to employees' perceived obligation to stay in an organization whilst employees with continuance commitment chose to stay with an organization because they have no choice.(Meyer and Allen, 1991; Malhotra et. al. 2007). Affective commitment on the other hand is conceptualized as an emotional attachment and loyalty displayed towards an organization as a result of rewards obtained (Malhotra et. al. 2007). Researchers (Meyer and Allen 1997, Silva, 2006; Malhotra et. al., 2007) have concluded that affective commitment is strongly related to positive organizational outcomes such as job satisfaction, motivation and retention.

1.1.4 Organizational Performance

Daft (2007) defines organizational performance as the organizations' ability to attain its goals and by using resources in an efficient and effective manner. It is the extent to which an organization achieves a set of pre-determined targets that are unique to its mission. The extant literature lacks an agreement on the unique definition of the term performance and the indicators of measuring firm performance are not universally identified and defined. Venkatraman and Ramanujam (1986) categorized organizational performance into financial performance, business performance and organizational effectiveness. Financial performance centers on outcome-based indicators assumed to reflect economic goals, while non-financial is centered on operational performance which includes efficiency, market share, new product development and innovation. Measurement of overall effectiveness reflects a wider conceptualization of performance and includes; reputation, survival, perceived overall performance, achievement of goals, and perceived overall performance in relation to competitors (Venkatraman and Ramanujam, 1986).

Jiambalvo (2001) argues that performance measures are greatly influenced by behaviors of managers and may be linked to rewards that depend on the performance of an employee for a particular measure and at a certain period. There is a correlation between how employees are handled and sustained performance (Pfeffer, 1994). Gachoka (2009) postulates that you cannot manage what you don't measure. There is a consensus amongst scholars that a balanced approach incorporating financial and non-financial should be used to measure performance. Venkatraman and Ramanujam (1986) argue that there is no general agreement on performance measures and scholars operationalize according to their discipline of study. According to literature, performance must be considered beyond the quantitative outputs and to include behavioural inputs as well (Armstrong 2006, Kaplan and Norton, 1992). Kaplan and Norton (1996) introduced the notion of measuring multiple areas of an organization through Balance Scorecard (BSC) which measures financial, customer satisfaction, internal process and business, and learning and growth (human resource). Thompson (2008) proposed that Universities use research output and publications, student enrollment, grant funding, rankings, graduation (completion) rates, and faculty reputation as a measure of performance. This study adopted both financial and non-financial measures.

The Government of Kenya (GoK) has also institutionalized performance contracting system as a measure of performance for all agencies (GoK Report 2007; Okwiri, 2008). These performances are based against a set of criteria and given a weighting set at the beginning of contract period. The criteria includes; financial and non-financial measures, service delivery, operations and qualitative measures. Compliance with strategic plan, budget, corruption and meeting all the obligations is critical. The institutions are supposed to conduct employee satisfaction and customer satisfaction survey under quality of service delivery criteria.

During performance contracting reviews, issues that were mostly reported on were: dissatisfaction, low employee productivity, non-adherence to budget and complaints by stakeholders amongst others. It was noted that decisions took long before they could be communicated to lower cadre due to bureaucratic control systems. Further, it revealed

that goal setting was done by management and role of employees was just implementation which in itself presented a challenge since the set goals were generalized instead of being specific (GoK Report, 2012). In this study the qualitative measures (non-financial) adopted included: customer satisfaction, employee satisfaction, adherence to set budget, research output and publications. Quantitative measures (financial) adopted were revenue growth given that universities are non-profit making institutions and they are fully or partially funded by the state. This approach is supported by other researchers such as Norton and Kaplan (2003), Thompson (2008).

1.1.5 Public Universities in Kenya

Higher education in Kenya is undergoing a period of significance change. This has been driven by several factors: political, economic, technological and cultural. The trends are global and far reaching in their impact. These factors affect every aspect of university provision, environment in which universities operate what they will be required to deliver in future and how they will be structured and funded. The Kenyan higher education will keep on expanding at a rapid pace due to a number of converging issues: increased enrollment, increased capacity in public institutions, a growing private sector, more government investment in research and diversified student loan program and increasing income generating projects. The universities were targeted because the role of higher education has been recognized as a very important link in national development (World Bank Report 2007). The Kenyan economy is characterized by turbulence in terms of not matching education and the market needs. There has been a notion that people should be educated to only work in white collar jobs. This is however changing due to environment factors like high unemployment in the country, introduction of entrepreneurship in the curriculum in schools and colleges. This has forced the government to start initiatives to encourage graduates to enter in the informal sector where they are required to create employment.

Kenyan universities fall under public state corporations. State corporations in Kenya have undergone tremendous changes. From the KANU regime where they were tightly controlled and the heads appointed by the regime to what is currently open market filling in of the top positions. To be appointed a head in 1990s' you had to be politically correct

and toe the line. In 2002 a new government was elected which brought in several changes. Chief Executive Officers' of institutions and government agencies were competitively selected from a pool of qualified applicants. These meant that there was more transparency and accountability in these organizations.

Further the government introduced performance contracts in public sector institutions in order to improve efficiency and effectiveness. These performance contracts were part of the broader Public Sector Reforms. To achieve Vision 2030 (Kenya Development Blueprint) which focuses on three key pillars of economic, social and political, the public sector institutions had to adopt a results based management approach, which means their services would be more focused and responsive to the needs of the society. The Vision 2030 aimed at ensuring that there is enhanced equity and wealth creation opportunities for the poor, infrastructure, energy, science technology and innovation, security and public sector reforms, land reform, and human resources development. In the public sector reforms Kenya aims to build a public service that is above reproach to serve her citizenry (Kenya Vision, 2030), as such the universities cannot be left behind.

As Kenya becomes sophisticated, with increasing numbers assessing university education and exposure to best practices and human rights, it's inevitable that the enlightened/empowered employees will continue to interrogate and demand more empowerment programs with a view of enhancing the capacity to deliver world-class service. Prior to 2012 public universities were established through individual Acts of Parliament. With the enactment of the Universities Act No. 42 of 2012, public universities have since been established through award of charter. All individual Acts of Parliament were repealed and the previous public universities accredited through charter award after institutional quality audits. Both private and public universities which met the standards were awarded charter. Currently there are 22 chartered public universities in Kenya operating under Universities Act 2012 (CUE, 2013). A Public University in Kenya is that institution which is supported by public funds under the Ministry of Higher Education, Science and Technology (MOEST).

Zusman (2005) recognized that universities of the 21st century experience profound challenges to the nature, values, and control of universities. Today, societal expectations and public resources for universities have been undergoing fundamental shifts in declined state funding and government support leading to universities seeking alternative sources of resources, insufficient rewards for staff members, and demands for institutional accountability. As demand for university education continues to grow, it places demand on the university facilities, lecturers and non-teaching staff. This often leads to over stretching, burnout and frustration (Abagi 1998). Conclusively these problems point to dissatisfaction and burnout as evidenced by numerous strikes witnessed and issue of 'brain drain'.

The practice of empowerment has been necessitated by unprecedented changes in the environment on how to manage human resources. Previously, universities experienced myriad of problems including, nepotism, mismanagement and key appointments being done by the president of the Republic of Kenya (Sifuna, 1998). The chancellors' powers included appointment of other key university administrators who in turn propagated government views in university deliberations (Sifuna, 1998). This led to undermining employee autonomy, academic freedom, which tended to diminish democratization of decision making and empowerment of employees. Poor governance within the public sector also contributed to deficiency in service delivery and lack of capacity building. All this resulted to lack of professionalism and employees being demoralized. Kibaji (2010) while confirming management as one of the major challenges facing universities noted existence of negative ethnicity and intolerance from university administrators. Olayo (2005) further observed that participation in decision making was only at 32% and training and development at 28.6% employee satisfaction at 38% which is still very low, however empowerment aspects of communication, culture and structure were supportive and conducive for empowerment. Further, Obwogi (2011) in his study confirmed that university staff are not adequately facilitated in research and publications, leading to low contribution in research and technology in the society. The studies recommended that universities should provide and encourage adequate utilization of resources to empower employees and priority be given to employee growth to improve work performance.

1.2 The Research Problem

Employee empowerment came to prominence in the 1990s as a management response to an increasingly competitive and complex environment. Empowerment is critical to multi-dimensional success of the organization. This is because the human resources is one of the most reliable sources of organizational efficiency, effectiveness and performance. But though this may be true, strategies that are adopted by an institution to empower the employees can affect its performance. However, how these strategies interact with other institutional factors to influence performance is still unexplored. Institutional factors such as structure, strategy, culture, policies, practices and technology play a crucial role in the overall performance of the organization. Managerial decisions are influenced by the structure and culture the organization adopts as it interacts with the environment. Empowerment has impact on performance however; institutional factors could influence this relationship.

Universities in Kenya play an increasingly important role in economic and social development. However universities are encountering challenges such as increased student numbers, rapid expansion, inadequate facilities, less number of staff, low salaries, inadequate funding, low research output among others. They have lost staff to foreign universities in what is commonly known as “brain drain” depriving the country of much needed talent. Wosyanju et al. (2012) confirmed, for example, that Kenyatta University lost 20 lecturers in a span of just one year. Staff in these institutions have joined unions such as University Academic Staff Union (UASU) to fight for empowerment and welfare of their members. In October 2011, and September 2012, 2013 the teaching and non-teaching staff in the public universities went on strike because of delay in review of their remuneration and working conditions. The management of these challenges depends on holistic approach which should incorporate institutional factors, the extent of employee empowerment, and job-related attitudes.

Several studies (Spreitzer, 1995; Wilkinson, 1998) have tried to explain the link between employee empowerment and performance. However most of the studies have concentrated on isolated facets of empowerment. Ritzen (2011) looked at empowerment as granting formal autonomy to make decisions in the universities, but empowerment is

more than autonomy. Wong et. al., (2011) in his study concluded that the four cognitions of psychological empowerment namely meaning, competence, self-determination and impact were positively related to organizational performance. While this may be true, the study did not incorporate other factors such as structures, strategies, culture and structural empowerment. Ngambi (2010) established that attracting and retaining skilled, knowledgeable and competent employees in tertiary educational institutions is important. For most higher education institutions have experienced challenges of low morale, skills shortage, stifled academic freedom, low salaries, high student-academic staff ratio, higher workload, and exclusion from decision-making processes.

While extant literature depicts advantages regarding the theoretical aspects of empowerment, there is still inconclusive evidence that empowerment achieves the benefits promised. Empowerment has been found to be positively related to performance (Spreitzer 1995; Menon 2001). At the same time empowerment has been found in some instances to have negative relationship (Hill and Hug, 2004). Researchers in employee empowerment (Spreitzer, 1995; Wilkinson, 1998) have also reported that there is still lack of concurrence on the ideal empowerment program that could empower employees. The ongoing debate on the relationship between empowerment and performance confirms the lack of satisfactory evidence to support the findings as discussed above. Given the mixed research findings on the relationship between empowerment and performance there is need for further research to address this gap. Further most studies investigating aspects of the relationship have been done in different contexts, measurements, conceptualizations and methodologies. Most of the studies have been done in the western context and a few in Asia. Very few studies have been done in Kenya linking empowerment and performance. Although it is well established that a relationship exist between empowerment and performance less is known about other variables that influence the relationship. Strategy, structure, culture, leadership type and job-related attitudes have been found to have effect on the relationship between employee empowerment and performance. This study examined these factors in pairs and jointly to establish the joint effect of the variables. This study attempted to answer the question: What is the relationship between employee empowerment and performance of public

Universities in Kenya and how do job related attitudes and institutional factors influence this relationship?

1.3 Research Objectives

The broad objective of this study was to determine the influence of institutional factors and job related attitudes on the relationship between employee empowerment and performance of public Universities in Kenya. The specific objectives were to:

- i. Establish the influence of employee empowerment on performance of Public Universities in Kenya
- ii. Determine the mediating effect of Job-related attitudes on the influence of employee empowerment on performance of Public Universities in Kenya
- iii. Determine the moderating effect of institutional factors on the influence of employee empowerment on performance of Public Universities in Kenya
- iv. Establish the joint effect of employee empowerment, job-related attitudes, and institutional factors on performance of Public Universities in Kenya

1.4 Value of the Study

The attainment of the study objectives were aimed at developing a conceptual framework that should make us better understand the relationship between employee empowerment, institutional factors, and job-related attitudes on one hand and organization performance on the other. Research has demonstrated a close link between good employee empowerment practices and performance. It was meant to make a contribution to theory, policies and Human Resource (HR) practices. The study brought better understanding to the concept of value in empowerment and its relationship with other variables of institutional factors, job-related attitudes and performance in the Kenyan context specifically in public universities. The theoretical contribution of this study has provided useful information which is to make significant impact to the field of human resource development and has extend the existing knowledge in the best HR practices in organizations.

Information from the study will improve appreciation by policy makers where it will help in formulation of Human Resource Policies in relation to human capital development, performance management and highlight the influence of empowering human capital as a strategic asset in obtaining competitive advantage (Pfeffer, 1994). The study serves as a source of information to policy makers as universities are envisioned to play a key role in the realization of Kenya's Vision 2030. The Vision focuses on sustained economic growth through capacity building to enable the country to become industrialized by 2030. The findings of the study shed light on how universities could sustain enhanced performance through empowering their human resource, having proper strategies and enabling structures, transformational leadership and creating an enabling work environment; in view that the public sector has been characterized by rigid formal structures, guaranteed job security and advancement, in return for loyalty and secure environment. The organization culture must be positive to enable increased job satisfaction and organization commitment. The study therefore can be used as a guideline by management in decision making and upgrading effectiveness of performance.

The findings of the study have also extended knowledge and opened new frontiers in the field of human resource. It will also add to the increasing body of theoretical knowledge in human resource management. The moderating effect of institutional factors and mediating effect of job-related attitudes relationships on the influence of employee empowerment and performance have given another dimension to human resource studies. The findings will enhance replication of similar studies in different contexts and thus fostering comparative studies. The study has also provided a basis for future research.

1.5 Scope of the Study

The study was carried out in Public Universities in Kenya. A public university in Kenya is the one that is funded by the Government of Kenya and is housed under the Ministry of Education Science and Technology. The universities are guided by the Universities Act 2012 and are audited and accredited by the Commission for University Education. The study limited itself to chartered public universities only. Universities are key players in the economy of Kenya and due to changes taking place in the sector of higher education, there is a need to rethink of their strategies and in the centre of any strategy it's the human

capital. The idea that the universities can be run like any public corporation can no longer sustain the institution. This is because there have been major changes like the vice chancellors position being filled competitively unlike before where the position was filled by a political appointee, the sector has been liberalized hence increased competition, students enrolment has more than double in the last couple of years among other changes.

1.6 Definition of Terms

The section deals with definition of key variables.

Customer Satisfaction: The customer's reaction to the service given based on perception of the service and some standards that represents customer expectations of the service

Empowerment: Sharing of power, resources and creating an enabling environment

Job Satisfaction is how content or happy a staff member is with their work. The importance of staff work satisfaction is identified by Spence Laschinger et al (2001)

Joint Effect of Variables: Refers to independent variables taken together in additive manner which creates synergy and creates organizational performance.

Organization Commitment: the attachment employees have with their organizations (Buchanan, 1974). Affective commitment is defined as an individual emotional attachment to the organization. Continuance commitment is based on the costs the employee associates with leaving the organization

Psychological Empowerment it is a set of motivational cognitions shaped by work environment and reflecting an individual's active orientation to their work

Structural Empowerment is having access to information, receiving management support, enough resources and opportunity for development.

1.7 Structure of the Thesis

The thesis was organized in five chapters. Chapter one sets the scene of the study by outlining the major themes of investigation. In this section, the introduction and background of the study is discussed. This is followed by discussion of the major

variables which include: employee empowerment, institutional factors, job-related attitudes and performance was discussed. The chapter further highlights the statement of the problem, the research objectives and justification of the study.

Chapter two reviews both theoretical exposition of the variables and empirical literature. The chapter begins by highlighting the relevant underpinning theories. This is followed by discussion on the meaning of employee empowerment focusing on the dimensions of empowerment, institutional factors and job-related attitudes.

The methodology of the empirical data collection is presented in chapter 3. The chapter begins by discussing the primary research strategy and the use of both quantitative and qualitative data gathering techniques. Detailed aspects of the research design are then considered. The way in which the data collected is to be analyzed is considered before concluding the chapter with observation from the field regarding the experiences in implementing these research plans.

The empirical evidence collected from the field in the form of survey questionnaire is presented in Chapter Four. The chapter presents the descriptive data analysis using frequency tables, percentages, means, standard deviations, Cronbach's Alpha Coefficient for reliability and correlation coefficient. The profiles of respondents and organizations are also presented. This is followed by a description of the responses for each variable. The results of tests of hypotheses and discussions follow. Hypotheses were tested using regression analysis. The relationship between the variables is discussed and results for the moderating and intervening variable are presented.

The final Chapter Five, the research is critically reviewed and its consequences analyzed. This chapter reviews the argument put forward and its subsequent investigation on how feasible the theory is in the face of empirical evidence; how successful are the theoretical constructs. The summary and conclusion of the study is presented. The structure of the chapter is guided by the research objectives and hypotheses. The thesis concludes by considering the implications of this work for further research, wider theoretical issues and finally its practical ramifications for policy makers and development practitioners.

1.8 Chapter Summary

In summary this chapter has provided a detailed background what the study is about. The chapter highlights and puts the study into perspective. It highlights a detailed background, introduces the concepts, statement of the problem, and a description of the study objectives that guided the study and the rationale, the value of the study and gives the structure of the thesis. The study contributes to existing body of knowledge in the human resource discipline.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The research objectives and related hypotheses concern a proposition that there is a relationship between employee empowerment and organizational performance. Another proposition was that there are factors moderating and intervening in this relationship, and which can explain why different organizations perform differently. Past studies relating to these issues have been reviewed in the four areas: employee empowerment, performance, institutional factors and job-related attitudes.

The findings of these studies have been summarized and issues requiring further examination identified. The chapter also reveals identified inherent gaps representing the entities that have been identified from the literature is developed and the hypothesized relationships identified to facilitate the empirical examination of the propositions advanced.

2.2 Theoretical Foundations of the Study

The study of empowerment today has stimulated discussion among scholars in human resource management and management. The term empowerment was first used in the Total Quality Management literature (TQM) (Wilkinson, 1998). In TQM, there is decentralization of responsibility and authority but it is confined to process by which responsibility for quality is pushed down the organization to the point of production. The vehicles for this form of empowerment are normally teams; such as quality circles or problem-solving teams. Scholars have described a case of empowerment as involving 'self-managing teams (Kirkman and Rosen, 1997:1999). These teams influence how their departments carry out their operations. They set their own goals, look for new revenue opportunities, they measure quality, solve co-ordination problems and set own budget, share information which is all part of empowerment. The proponents of empowerment argue that staff must be provided with adequate supplies of information, power and knowledge for them to make decisions (Kanter, 1983).

On the other hand empowerment philosophy signifies elimination of a tall hierarchical structure to achieve gains in organizational effectiveness and speed. The hierarchical system was a result of Taylor's division of labor which separates direct from indirect work, that is, the execution of a task from its planning and control (Armstrong 2006). Task execution is then delegated to lower levels while the higher levels assume coordination and control responsibilities (Armstrong, 2006). In order to assess the role of empowerment in management today it is important to place it in the proper organizational context and examine the complete organizational situation and the underpinning theories. The approach is to view empowerment as the extent employees can make decisions independently as teams or as individuals in the departments.

A theory of empowerment suggests that the way to measure the construct in different contexts is to study empowering processes and to distinguish empowerment from other constructs such as self-esteem, self-efficacy, and employee motivation. From the several definitions of empowerment, applying this general framework to an organizational level of analysis suggest that empowerment may include organizational processes and structures that enhance employee participation and improve organizational effectiveness for goal achievement.

Theoretical underpinning for the study was drawn from Empowerment Theory and Institutional Theory. Empowerment theory was studied from two approaches: Psychological Empowerment theory (PE) by Spreitzer, (1995) and Structural Empowerment theory (SE) by Kanter (1977; 1983). The theories form the foundation of empowerment and its attributes.

2.2.1 Empowerment Theory

Management of human resource is a critical function in the success of organizations. Having knowledgeable and skilled employees today is an essential component of all organizations (Darvish et al., 2013). Studies (Spreitzer et al., 1996; Matthews et al., 2003) found out that when employees are empowered they contribute to the success of the organizations. Nahapiet and Ghoshal, (1998) argues that empowering employees helps organizations reach their objectives and it would create better opportunities to

compete in the world. Those organizations that provide opportunity to empower employees reap maximum contributions and they outperform those that fail to do so.

There are different studies on detecting important factors for empowering employees (Quinn and Spreitzer, 1997). Employees are intangible assets for most organizations and they are the primary source of making value added decisions (Rahmdel and Rahmdel, 2013). Barney (1991) contends that people are the most important asset and the key determinants of competitive advantage to organizations (Barney, 1991). Several scholars (Spreitzer 1995; Fox 1998; Menon, 2001) have examined the relationship between employee empowerment and performance and concur that empowering employees is one of the critical aspects to achieve competitiveness in the organization. Further empowerment theory confirms that involvement in decision making, autonomy, access to information training and development and management support have an impact on organization performance.

Empowerment theory rose from employee involvement initiatives of the 1980s and 1990s. It came as management's response to increasingly complex and competitive environment. Specifically it has emanated from the realization that the traditional hierarchical command and control organizations were struggling to meet demands for flexibility and quality (Hill and Huq, 2004). Spreitzer (1995) states that empowerment has emerged as a construct deemed critical to organizational innovativeness and effectiveness, as such empowerment initiatives should be geared towards changing the role of managers. A key presumption of the empowerment theory is that empowered employees perform better than the less empowered (Thomas and Velthouse, 1990). Consistent with empowerment and human resource literature, employee's feelings of 'being empowered' could be attributed to increased autonomy, participation in decision making and accessing of information.

To date, despite the growth of empowerment theory there are still weaknesses stemming from lack of appropriate theoretical frameworks and inadequate attention being paid to practical implications (Hill and Hug, 2004). In particular, researchers are aware that empowerment programs do not always bring desired results and in cases where there are

positive results, these could be attributed to other factors such as leadership, job satisfaction and organization commitment. The idea of simply sharing power with employees is not enough to enable empowerment. Success of empowerment programs largely depends on conditions and circumstances and identifying appropriate implementation of structures and strategies. According to Smithson & Psoinos (1997) empowerment is a slippery subject both in theory and practice. However, empowerment theory has been accepted by researchers as a sound basis for which to develop theory in the field of human resource management. The theory depicts the relationship between employee empowerment and performance. Fox (1998) argues that proponents of empowerment theory have maintained that empowerment exists when organizations implement practices that distribute power, information, knowledge, and rewards throughout the organization." (Bowen & Lawler, 1995).

Wilkinson (1998) has pointed out that most of the writers in the field of empowerment theory have stated that empowerment leads to improved performance by the workforce. However, Fox (1998) was quick to note that the validity of the theory has been questioned. For instance Elnaga et al (2014) has pointed out that empowerment just consumes time and effort, there are no real gains. Further Spreitzer and Doneson (2005) questioned the relevance of some of empowerment programs put forward. The authors posited that empowerment is a power game, for employees are accustomed to follow orders rather than participate in management and they fear that increased levels of responsibility and accountability will expose their unpreparedness. Others (Gore, 1992; Tryona 1994) have viewed empowerment as a hollow buzz word by practitioners and academicians. Empowerment can lead to decreased efficiency; for example decisions may not be uniform and optimized for achieving organizational goals. Accordingly, attempts at employee empowerment can also be counterproductive. This could be due to actually creating greater controls over employees on one hand and on the other trying to empower them. We can therefore conclude that despite the gains in empowerment, there is still need to look at empowerment further. However, scholars in the area of human resources management have increasingly drawn on empowerment theory as a means of theorizing the relationship between employee empowerment and organizational performance.

2.2.2 Psychological Empowerment Theory

The background of this theory is the social psychology model and it is based on perceptions and attitudes of employees work. Psychological Empowerment (PE) focuses on the perception of the employee on empowerment (Thomas and Velthouse, 1990; Spreitzer, 1995). This view defines empowerment in terms of cognitive motivational concept. The authors argue that the level of psychological empowerment could be influenced by organizational work environment (Spreitzer, 1995). Conger and Kanungo (1988) postulate that psychological empowerment is the process of enhancing the feeling of self-efficacy among the members by addressing conditions that caused powerlessness.

Further the theory focuses on the intrinsic motivation and not on the managerial practices that are used to increase the level of power owned by the employees. Spreitzer (1995) confirms that psychological empowerment is a motivational construct manifested in four cognitions: meaning - where the employees' determine the intrinsic value of a particular work role, competence – this is self believe in employees' ability to fully perform specific tasks, self-efficacy (Bandura,1977); self-determination – the employees' belief that they have control over decisions about work-related activities and behavior (that is autonomy); and impact – employees' belief that his or her actions can make a difference in the organization strategies, tactics and outcomes (Greenberger & Strasser, 1991). Thomas and Velthoues (1990) contend that cognition of choice should also be considered because this is where employees' belief that they can choose what work activities they ought to put their effort on in the organization. These cognitions are related to various work attitudes, work satisfaction, behaviors and performance.

Psychological empowerment theory is widely written on (Rappoport 1981; Zimmerman et al., 1993) but a lack of specification and empirically tested theory has limited our understanding of the construct. Secondly, it is has been argued that it is not an all-inclusive concept for it refers merely to an individuals' perception and ignores the role of organization structures, policies and practices that help it to develop (Kazlauskaitė et. al., 2009; Kirkman 1999).

Few investigations have been undertaken to explicitly test psychological empowerment theory. An underlying assumption is that employees who feel more active, take initiative and feel challenged, are psychologically empowered (Tae-Jun, 2008). Further, the author argues that there is need for refinement of psychological empowerment theory in order to clearly understand the natural settings with which individuals may gain a sense of empowerment, describe how and why interventions designed to empower individuals are effective or not effective, study the mechanism of involvement in empowerment process and identify contextual characteristics that may inhibit or promote psychological empowerment in an organization.

Proponents of the theory (Conger and Kanungo, 1988; Yang & Choi 2009) contend that psychological empowerment works on perceptions and feelings of employees; and as much as the management thinks they have availed everything appropriate for empowering staff in the organization, some employees will still perceive and experience state of powerlessness. This theory would seem most appropriate where employees perceive that they have organizational support and their contribution is valued by the management. This would lead to job satisfaction and organization commitment. Further psychological empowerment puts less stress on decision making, instead the theory emphasize motivational process for workers.

2.2.3 Structural Empowerment Theory

Structural empowerment theory focuses on the structures within the organization rather than individual qualities (Fox, 1998). The background of this theory is organizational and management theories. The proponent of structural empowerment theory contend that, Tayloristic organizational structures should be changed and transformed into more decentralized and democratic designs that will allow distribution of more power, information access and responsibilities to the lower levels of the organization (Tannenbaum 1968; Burke, 1986; Block, 1987; Kanter, 1993; Wilkinson, 1998). According to this view a manager intervenes to delegate more of their power to employees, reduces direct supervision and provides overall vision. The employees in return enjoy more flexible job descriptions (Kanooni, 2005). This framework presupposes

that the amount of power in the organization is fixed; hence management can just distribute its power through the hierarchy to empower employees. This way the organization achieves their goals of employee empowerment by creating better work environment and having a motivated workforce (Kanooni, 2005).

Structural empowerment theory has its roots from the theories of social exchange, employee involvement, participative management and social power (Spreitzer, 2007). Social exchange theory proposes that human relationships are based on cost-benefit analysis and comparison of alternatives. It is viewed as social behavior that may result both economic and social outcomes (Emerson, 1976). Social power is the degree to which the individual or organization asserts power on peers (Handy, 1993); while employee involvement is the process of encouraging employee commitment to organizational success (Lawler, 1986).

On the theory of Structural Empowerment Kanter (1993) contends that work behavior arises from conditions and situations in the work place, and not from just personal attributes (Laschinger and Havens, 1997). Further, Kanter (1983) posits that an employee with access to information, support, resources and opportunity for advancement increases perceptions of empowerment. Increasingly employees will make informed decisions and overall accomplish more. Kluska et. al. (2004) confirms that structures within the workplace that facilitate access to resources can empower employees to accomplish their work in more meaningful ways. On the other hand Yang and Choi (2009) argue that, structural approach is a dilemma to managers as its success depends on ability to reconcile loss of control with achievement of goal congruence.

Erickson et. al. (2003) point out that most of the writers in the field of empowerment have argued that, empowerment is thought to occur when organizations seriously engage the people sincerely and progressively responds to this engagement with mutual interest and intention for development. The work environment is an important correlate of employee attitude and behaviors in the organizations. The dimensions of structural empowerment include involvement in decision making, access to information and management support.

Consistent with previous studies Kanter (1977) argue that a leaders' power will grow by sharing it through empowering others, and as a result stated leaders will realize enhanced organization performance. According to Morgan (1986) he contends that there are two systemic sources of power that exist in an organization; this being formal and informal power. Formal power being the legitimate power which is manifested through the hierarchy and is clearly visible from the job descriptions of staff; while informal power comes from building relationships and networks with workmates. As such understanding of power structures in the organization will determine how effectively the empowerment programs will be achieved.

Based on various studies done there has been consensus that structural empowerment is a managerial practice meant to increase organization outcomes and job satisfaction in the workplace (Conger and Kanungo 1988; Kanter 1993; Spreitzer, 1995). As such structural empowerment is based on the notion that managers should distribute power and information to lower levels, as well as allow employees to participate in decision making process in the organization. Notwithstanding the above arguments, a study conducted by Quinn and Spreitzer (2005), found that as much as structural empowerment has been hailed to enhance specific managerial practices which lead to effective performance, it is limited. This is because its viewed as if it provides only organizational perspective; and does not address the nature of empowerment experienced by employees.

Critiques of structural theory have pointed out that, in some instances employees have been provided with all empowerment tools of power, information, knowledge and rewards yet they don't act empowered (Conger and Kanungo, 1988) . Yet in some situations employees lack all the tools of empowerment yet still feel and act in empowered ways. This limitation led to development of psychological empowerment theory. Further Kay et al (2008) confirmed that structural empowerment can be a dilemma for managers for its' success depends on their ability to balance loss of control and need for goal congruence. They also argued that structural empowerment failed to take into account cognitive aspect of employees. Sharing power or simply delegating power to staff does not inspire employees' state of mind to perform better or increase productivity.

The findings of the study are in line with theories of employment empowerment, psychological and structural empowerment theory. The theories were able to explain the effect of employee behavior and its contribution which ultimately affect performance. The theory of Structural Empowerment was expected to predict and understand the effect of sharing of power and authority, access to information, and management support including sharing of resources; while psychological empowerment was expected to predict the employees' perception of empowerment, reducing employee feeling of powerlessness by giving more autonomy, enhancing self-efficacy and employees perception of being 'considered' as well as their initiative and competence.

The results from empirical studies have shown that empowerment leads to more effective performance and that the factors of strategy, structure, culture and leadership can hinder or enhance empowerment which eventually has impact on performance. Empowerment may not in practice dilute overall management control: rather it can reconstitute the nature of such control (Wilkinson, 1998). Researchers such as Zhou (2008), Gailbraith (2002), and Cunningham et al (1996) indicate that structural and psychological empowerment is highly correlated to performance.

2.2.4 Institutional Theory

Institutional theory (IT) emphasize that modern organizations depend on their environments which can strongly influence the development of formal organization structures. It acknowledges the importance of economic and social forces that shape the systems and structures of organizations (North 1990; DiMaggio, 1983). Institutions may hinder or enhance performance in organizations. The underlying proposition by institution theory is that organizational structures and processes become institutionalized over time and these have an effect on workers behaviour and performance. These factors would include economic, social and political that constitute a structure of a particular environment of an organization that gives it a competitive edge.

The core concept of institutional theory is that organization structures and process tend to acquire meaning and achieve stability in their own right rather than on the basis of their effectiveness and efficiency. Institutional theorists (Oliver, 1997) are interested in

examining the organizational structures and practices that have no economic or technical purpose and therefore they do not enhance organization performance. Although scholars vary in the relative emphasize of these elements and in the level of analysis at which they work, all recognize the common theme that social behavior and associated resources are anchored in rules and schemas.

Notwithstanding the above, critiques of institutional theory have argued that researchers have overlooked the problem of appropriately measuring the institutions (Peter, 2000). Suddbay (2010) contend that institutional research moved from treating organizations as sedimented (taken for granted) to being hyper muscular. Any change no matter the magnitude is treated as 'institutional' and any change agent is regarded as an institutional entrepreneur. Suddbay (2010) further contends that institutional research should only value instances of significant profound, field-level change, and not merely incremental changes. The institutional theory should focus more on the processes of how the organizations become institutionalized rather than on the effects of institutionalization.

DiMaggio and Powell (1983), contend that organizations converge on similar activities, behavior and practices which appear similar to like organizations. The appearance of change toward homogeneity is explained through isomorphic change theory which identifies three forces on the organizations: coercive, normative and mimetic. Coercive isomorphism evolves from political influence and legitimacy often conveyed through policies, rules, procedures, regulations and accreditation process (outside the organization requirements); normative isomorphism is associated with professional values; and mimetic isomorphism is copying or mimicking behaviors' that is a result of organizational response to uncertainty. These forces dictate institutionalization and induce organizational conformity or homogeneity through pressure to appear legitimate.

Institutional factors have been theorized in literature to be potentially important determinants of performance in an organization. Institution theory suggests that performance increases legitimacy because it indicates how well a firm is fulfilling its roles in society (Meyer & Rowan, 1977; Suchman, 1995). Supporters of Institutional theory as suggested by Hoskisson et al (2000 cited in Braton and Ahlstrom, 2010) have

shown institutional theory to be particularly powerful in examining international related topics which relate to institutions. Galbraith (2002) concurs that factors such as structure, strategy, culture, policies and practices and technology play a crucial role in the overall performance of the organization. Although an attempt is made to study these institutional factors, the process which this relationship is achieved is not explained and different factors have different effects.

Researchers Meyer and Rowan (1977) and DiMaggio and Powel (1983) further contend that institutional system should be viewed as a class of elements (Scott, 1987). This is because loci of institutionalized rules, standards and norms do not come from one source but multiple environments shaped by different actors. This shift is accompanied by other changes such as cultural elements, multiplicity and diversity of organizational sources, markets, strategy, competitors and customers.

From the foregoing, institution theory provides a useful framework for analyzing questions about how organizations interact with their environment and how factors become institutionalized over time. Today this theory has been welcomed and it is applicable in the areas that affect organization policies, strategies, structures and procedures in the organization and how they become institutionalized over time as the organization interacts with its environment. This in turn affects how the organization performs in today's turbulent and competitive environment.

2.3 The Concept of Employee Empowerment

The origin of the concept of empowerment is employee participation. This concept was first used for social change in the 1960s by civil rights movements, by Women Liberation Movements in 1980's. Evidence of employee empowerment dates back from the ground breaking Ohio and Michigan leadership studies (Fleishman 1953; Fernandes and Moldogaziev 2011; and McGregor's 1960 Theory X and Y) until the 1990s when empowerment was adopted. From the 1980s empowerment gained popularity in politics, education, psychology and human resource (Lincoln et. al., 2002). Since the 1990s, empowerment has been seen as a weapon to maximize employee potential and contribution to organizations hence increasing organization success (Covey, 1994).

Employee empowerment has widely been recognized as an essential contributor to organizational success with many authors observing a direct relationship between the level of employee empowerment and employee performance (Spretizer, 1995, Kirkman and Rosen, 1999). Findings have consistently suggested that empowering workers may serve objectives linked to managerial and organizational effectiveness (Bennis and Nanus, 1985). Thus empowering is considered a way to encourage and increase decision making at middle and lower levels of an organization, which consequently enrich employees' work experience (Laschinger, 2009). Subsequent studies done by Laschnger et al (2001) on 404 nurses in Ontario Canada found that psychological empowerment directly predicts job satisfaction (variance- $R^2 = 58\%$). The researcher concluded that empowerment in workplace is critical for it increases perception of personal empowerment, decrease job strain and improve work satisfaction.

The concept of empowerment in public universities is supposed to give more latitude to employees; paradoxically empowerment is seen as a means of achieving managerial objectives than a means to meet employees' needs. The main theme is to achieve more for less; employees are expected to find the most cost effective way of dealing with challenges. To employees, therefore, getting more control sometimes comes with a price as they also have to take responsibility for the outcome. Further the employees have to be flexible, be more competent in skills which are not emphasized in professional training like decision making, interdisciplinary collaboration and organization learning. Thus empowerment from an employee's perspective can sometimes be ambiguous.

It is increasingly becoming important for organization to respond rapidly to changes in the environment and empowering employees is one way to achieve this objective. Staff should receive timely information of any changes in the organization, have the relevant knowledge of their work, and bear the consequences of the decisions they make. Employee empowerment is relevant in today's turbulent and competitive environment where knowledge workers, highly educated and skilled, and diverse are prevalent; as such organizations are moving towards decentralization, organic type of structures. Research has shown that where participative strategies are employed there is more empowerment (Hill and Hug 2004). In order to understand employee empowerment it is important to

understand the various aspects or dimensions of empowerment included in this study. These dimensions are discussed below.

2.3.1 Involvement in Decision Making

Empowerment means letting go off of authority to make certain decisions, however some managers may feel threatened by a loss of power or less ability to control (McCrimmon 2010). Several studies have stated that various factors contribute to effective empowerment as stated earlier. The organization culture for example must support the process of empowerment; it does not work if managers feel threatened. Managers who identify with their ability to solve problems and make decisions may lose a prime source of their identity and job satisfaction if they over empower employees. Cultures that support empowerment encourage managers to be catalysts, facilitators, coaches' enablers and developers of others rather than merely decision making authorities.

Goldsmith (2010) argues that it is time to let the employees do what they need to do to get the job done and the role of management is to encourage and support the decision-making environment and to give the employees the tools and knowledge they need to make and act upon their decisions. By doing this the employees reach their empowered state to be involved in decision-making, information sharing and creativity and have autonomy to do so.

Employees may have input into and influence over decisions ranging from high level strategic decisions to routine day-to-day decisions about how to do their own jobs. In any work place there is clearly a range of decisions stretching from the trivial to the more substantive to the evidently strategic. Employees can be said to be empowered, when authority for decisions that are taken at a higher hierarchical level is passed down (Fragoso, 2006). Each level must relinquish authority and decision-making power to the next level below them. Fragoso (2006) argues that the power managers have to influence employee behavior has now to be shared through the creation of trust, motivation and support. Wilkinson (1998) further contends that even though organizations have introduced empowerment programs, they varied in the decision making power to be

given to the employees. He views the effort as just an increase in employee contribution in the organization.

2.3.2 Autonomy

In the 1950s big bureaucracies made employees to conform to requirements of stable production and in effect traded life-long employment for individuality (Kim, 2002). Particularly emphasized in workplace research was the concept of specialization, that is, the employees having to concentrate their productive capabilities with miniscule segments of production. Among the problems identified was psychological strain and lack of social support. As such one of the recommendations given was to increase employee control over work processes (Kim, 2002).

The main idea of autonomy was to design jobs allowing employees more scope in determining how tasks should be carried out thereby balancing employees' psychological and social needs with technical demands of work organization. Employees having more autonomy could be more flexible in adjusting to changes in demands from work organization's environment for instance by using more of their own creative capacity for improving delivery of services (Yang and Choi, 2009). Previous studies support the notion that autonomous decision making goes hand in hand with authority. Authority given to employees can be granted to individual employees or in a group form according to the requirements of the organization.

Researchers (Thomas and Velthouse, 1990; Tae-Jun, 2008) have argued that it is difficult to separate autonomy and decision making in empowerment. Participation in decision making may or may not affect levels of employees' autonomy. Although employee empowerment is largely designed to give individual employee autonomy it likewise fosters better relationship between employees and their managers. This is due the fact that employees that are given more independence tend to form better working relationships. This greatly improves morale of the employees and organization performance.

On the other hand autonomy was seen as confined to job redesign of tasks decided upon by management, thereby making employee autonomy mostly an issue of how tasks are performed (Thomas and Velthouse, 1990). Proponents of autonomy contend that there should be increased employee authority also over decisions on what tasks to take on and how to organize them (Dunham et. al., 1994). Employees in public sector are often impeded by formal procedures with little relevance to their work practices; they often face conflicting and overwhelming expectations to what they can accomplish; they have to struggle for resources in competition with other services; they often times are depended on others to get work done and; they have to follow instructions from the superiors as well as by laws and professional standards (Fernandez and Moldogaziev 2011). Work organizations and their environment can be seen as compromised of stakeholders and coalitions of conflicts of interest and employees have to deal with conflicting expectations (Mintzberg, 1983). Although employees in the public sector can be seen as powerful in their relationship with their clients, they can experience having little power within their work organization; this can be detrimental to organization performance. With more control they can develop and utilize their productive capabilities. Thus as employee autonomy increases it is conducive for enhanced organization performance.

Autonomy has been found to lower employee absenteeism and increase job satisfaction. Hackman and Oldham (1976) in their study concluded that autonomy promotes positive motivation, performance, satisfaction, and turnover outcomes.

2.3.3 Training and Development

Human resources practitioners emphasize importance of keeping staff abreast of changes in the environment. Training is the planned and systematic modification of behavior through learning events, programs and instructions which enable individuals to achieve levels of knowledge, skill and competencies needed to carry out their work effectively (Armstrong, 2010). Staff development includes those processes that improve the job-related knowledge, skills, and attitudes. Koll et. al., (1989), proposed that staff development programs must provide options for participation so that choices will facilitate a match between motivation and activity.

Skills of employees are broken into two areas namely; hard and soft skills (Guest, 1987). Hard skills are the technical skills that allow them to perform the tasks that make up the role, while soft skills are those which encourage interaction between individuals, which include; communication and empowerment, autonomy and decision making (Guest, 1987; Kidombo, 2007). These skills are difficult to assess many are already present in the employees but they need to be nurtured. Empowerment is educating and training the employees to take on their own decisions. Training and development in empowerment enlarge span of control and leads to flatter system of organization.

Armstrong (2010) proposes that two major components of getting staff ready for empowerment is boosting their knowledge and skill levels and helping them feel competent. Managers who empower their staff must be trainers. Confidence in ones' abilities comes from successful performances, observing others perform successfully, and encouragement. By having staff learns to perform a task, managers increase their subordinates confidence in their abilities, which helps them progress toward becoming proficient with the entire task. All training programs must be evaluated and there should be return on investment. Training emphasizes efforts to upgrade employees' skills or focus on work-related topics beneficial to both employees and the organization while development is intended to provide general knowledge about theoretical concepts to enrich organizations through human resource programs and career progression (Dessler, 2008; Armstrong, 2010).

Employee training is based on the belief that developing talents internally is good investment. Jackson et al., (2009) contend that the best competitors who embrace empowerment use training and development since improving competence of workforce is one way that creates a competitive advantage. Training refers to improving competencies needed today or future (Jackson et. al., 2009). However in a study done by Darvish et. al. (2013) in Iran the results of the survey indicated that while training programs have created meaningful sense and help the staff to have a meaningful sense of self-efficacy it has not created any feeling of competence. The survey also concluded that training alone cannot empower employees.

These educative efforts enable employees to build knowledge, skills, and abilities – not only to build their own jobs better but also to learn about skills and the economics of the organization. Organizations can improve the quality of current employees by providing comprehensive training and development activities. Considerable evidence suggests that investment in training produce beneficial organizational outcomes (Dessler, 2008). The effectiveness of skilled employees will be limited if employees are not empowered.

2.3.4 Access to information

Management communication with employees is a key success factor in employee empowerment. The rationale for access to information is that management will reap benefits from employee expertise and knowledge. The manager has to give a listening ear and empathize with employees' ideas, issues and concerns helping to build trust. This includes flow of information upwards and downwards in the organization, so that employees have 'line of sight' about how their behavior affects the performance. Right to information does not exist in isolation. Importance of information as a resource has been pointed out however there is relatively little literature that explicitly links empowerment with information accessibility.

Access to information means having knowledge of the organization values, goals and policies, as well as having the knowledge and expertise required to be effective at work. Information provides a sense of purpose for employees and enhances their ability to make decisions that contribute to organizational goals (Kanter 1993). When employees feel as though they have a choice and can make direct decisions, it often leads to a greater feeling of self-worth. In a model where power is closely tied to sense of self, having some is a valuable thing. Employee empowerment allows employees to make autonomous decisions that affect their jobs.

On the other hand, Psoinos, et al. (2000) points out that management have the opportunity to set up and maintain atmosphere for access to information both through their words and deeds and not just paying 'lip service'. Randolph and Shaskin (2002) concur that most managers are reluctant to share information especially in the areas of

finance, performance and strategic information. Sometimes the managers argue that such information is too complex and is sensitive in nature as such cannot just be shared.

2.3.5 Management Support

Employee empowerment can begin with training and converting a whole organization to an empowerment model. The thinking behind employee empowerment is that it gives power to the individual and thus makes happier employees. By offering employees choices and participation on a more responsible level, the employees are more invested in their company, and view themselves as a representative of such (Sandeep, 2005). For empowerment to work well the management team must be truly committed to supporting the employees by allowing them to make more decisions. Empowerment is a two sided coin. For employees to be empowered leadership must want and believe that employee empowerment makes good business sense and employees must act

Research has suggested that employees feel more empowered in supportive organization environment (Spreitzer, 2007). Studies done by Randolph (2004) confirmed that psychological empowerment is positively related to a conducive climate of empowerment. Spreitzer (1998) confirmed that access to information, access to resources and socio-political support are related to psychological empowerment of employees. When employees perceive that there is high organizational support it is associated with empowerment. On the other hand they sometimes feel a sense of powerlessness and cannot take decisions. The importance of resources for empowerment has been highlighted in the literature, as it became clear that autonomy can only be considered a positive value if the necessary resources for self-regulation are made available to the workers. The current supporters of empowerment advocate that staff must provide with adequate resources of information, power, knowledge and rewards.

Empowered staff may also perceive more support from their organizations. Perceived organizational support refers to staff perceptions that the organization values their contributions and care about their well-being. According to organization support theory (Eisenberger et al., 1986), staff infer organizational support from the quality of the relationship they have with management through their supervisors or leaders.

Management behaviors and organizational policies form the basis for employees' interpretation of organizational support (Laschinger et al., 2006). Studies done by Rhoades and Eisenberger (2002), found that fairness of treatment was most strongly associated with employee-perceived organizational support. A study by Armstrong-Stassen and Cameroon (2003) also reported that staff who reported greater control over work-related decisions also reported significantly higher levels of perceived organizational support and trust. Other studies (Yong and Choi, 2009) found that management support in some organizations is very low which affected empowerment.

2.4 Institutional Factors

Institutional factors relate to structures in the organization. These include rules, policies, procedures, norms, shared beliefs and routines of behavior in an organization. According to Scott (1995) institutions are social structures that have attained a high degree of resilience and they include cultural elements, normative and regulatory factors. As such institutional factors are important for they govern how organizations run. Academic and popular writing have suggested that institutional factors influence leadership styles and performance of organization. Institutions can be formal or non-formal. Formal institutions arise from laws, regulations, rules and other statements formulating sanctions, while non-formal institutions arise from interactions with the formal institutions. Universities are formal institutions governed by such rules and procedures.

The study adopted strategy, structure, and organization culture and leadership style of transactional and transformational as moderating variables.

2.4.1 Organization Strategy

Johnson and Scholes (2006) define organization strategy as the direction and scope of an organization in the long term. Miles and Snow (1978) advocate that according to strategic type, organizations can be classified into four groups: defenders, analyzers, prospector and reactors. Organizations that follow prospector strategy is highly innovative and constantly seeking new markets; defender strategy organization tend to concentrate on defending its markets, while analyzers strategy tends to seek innovation at the same time concentrate on their market; and reactors tend to be inconsistent in their strategic

approach and drifts with the environment. The organization will adopt any of these strategies at a given time. The universities are faced with similar challenges as the private sector; as such they have to come up with new approaches to be able to survive in the turbulent environment.

Mintzberg and Quinn (1996) have suggested that there is no best way to define strategy; it must be understood in context and time setting. Strategy results in an interactive process between the organization and its external environment. It can be concluded that strategy is a systematic plan of action for deliberately using the organization resources in ways that achieves the organization objectives. As such it should enhance performance. The organization strategy should be articulated to be understood by all. Clear communication and shared vision endears the employees to work hard towards the implementation of the strategy and in achieving organizational goals. When the employees fully embrace the strategy the vision is shared and they will be willing to participate in its execution.

Strategy is the central concept in the field of strategic human resource and in strategic management though it has continued to elude a common definition and operationalization (Hambrick, 2003). Porter (1996) defines strategy as the setting of goals, determining action to achieve the goals and mobilizing resources to achieve the set goals. He has further posited that strategy should determine how organizational resources should be configured to meet the needs of the market. Mintzberg (1998) on other hand defines strategy as a pattern in a stream of decisions. While David (1999) argues that strategy is about shaping the future.

Mintzberg (1998) argues that a strategy involves two major parts: the formulation and implementation. Formulation involves analyzing the environment, making a diagnosis and developing a policy towards it. While implementation refers to the action plan to achieve the set strategies. In all these the employees play a critical role. Integrating strategy formulation with managing its execution is crucial. Every manager sets some direction, having clear goals, objectives and performance goals for the employees in their units. In turn each team should have their own strategy to ensure the day-to-day activities are in tandem with the overall organization strategy. The underlying logic here is that

successful organizations are those who continuously develop good strategies and empower their employees to implement them. According to Mintzberg and Quinn (1996) a good and successful strategy should have a clear and decisive objective; concentrate the power of organization at the right time and place; while maintaining its flexibility to deal with threats; commitment of the leader and there must be an element of surprise, security and speed. For universities to succeed they have to set clear goals and objectives be able to achieve empowerment of employees. This study looked at employee involvement in strategic planning process and whether there are clear goals and objectives set.

2.4.2 Organization Structures

Structure is defined by Mintzberg (1983) simply as the sum total of the ways in which labour is divided into distinct tasks and how coordination is achieved of those tasks. Daft (1986) defines strategy as the degree of complexity, formalization, standardization and centralization. Robbins (1990) clusters structural dimension into three factors complexity, formalization and centralization Complexity refers to degree of differentiation that exists within in an organization. Formalization pertains to the amount to amount of written documentation in the organization. This includes clearly written job descriptions, rules, and clearly defined procedures. Centralization is concerned with decision making in the organization. Decisions will either be made by top-management leading to centralization or is located to lower levels that are decentralization.

Burns and Stalker (1961) on the other hand argue that structure is either mechanistic or organic. This notion is based on a study carried out by twenty organizations in England and Scotland where they found out the two distinct structures. Mechanistic structures performed routine tasks, relied heavily on programmed behaviors, and relatively slow in responding to the unfamiliar. Organic structures are relatively flexible and adaptive, with emphasis on lateral rather than on vertical communication influence based on expertise and knowledge rather than authority of the position. There is need for compatibility on an organizations design structures and processes. Formalization in modern organizations are complex entities, with some functions relatively centralized and others decentralized. Structures have to be enabling to achieve empowerment of employees.

Further, other scholars (Mintzberg 1983; Nordin, 2006) have described structure as a formal configuration of roles and procedures, the prescribed framework of the organization. Structure also is the patterned regularities and processes of interactions. Following Weber theory of bureaucracies, structure can be defined as formal dimension of framework depicted by precise and impersonal tasks, rules and authority relations. The explicit purpose of such formally circumscribed framework remains to achieve more calculable and predictable control of organizational performance (Child, 1977; Ogolla, 2012).

Organization structure determines the manner and extends to which roles, power, authority, and responsibilities are coordinated in an organization and how they evolve over time. The structure should be designed in such a way to encourage participation of members. The structure can be formalized which refers to an organization where there are explicit job descriptions, lots of organizational rules, and clearly defined procedures covering work processes (Robbins, 2004; Nordin, 2006), or centralized where it refers to the degree to which the right to make decisions and evaluate activities is concentrated at the top (Fry and Slocum, 1984; Nordin, 2006). Structures can also be mechanistic or organic. Organization structure is the differentiation between organization dimension of centralization or decentralization depending on the relationship with the management (Ghosal et al 1994). The current study adopted centralized and decentralized form of structure for the study.

2.4.3 Organization Culture

Organization culture according to Schein (1992) is a pattern of shared basic assumptions that the group learned as it solved its problems of external adaption and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. Hofstede (1980) posits that culture is the collective mental programming of the mind which distinguishes one team from another, and values 'as broad tendency to prefer certain states of affairs over others' (Hofstede, 1998). Hofsted (1998) uses power distance, collectivism and individualism, femininity and masculinity, and uncertainty avoidance as cultural characteristics to differentiate one group from another. Dimba and

K'Obonyo (2007) further reiterated that this collective mental programming shared by an organization forms the basics of that organization. Every organization develops their own culture which is distinct from the other. Organization culture can influence organization decisions and human resource policies which in turn affects performance. Nyabegera (2000) argue that culture of a nation permeates all aspects of life within the given state, including the behavior of managers in the organizations. The finding is consistent with Hostede (1980) study which pointed out that a national culture influences attitude, behavior and management style of organizations. Cultural values exert a significant influence on managerial process and employee behavior which in turn affect performance (Nyabegera, 2000).

Organization culture influences the process of empowerment this is because it determines the use of power which ultimately affects the empowerment process (Ghosh, 2013). The importance of organization culture has been pointed out in the organization studies literature since 1980s. Pfeffer (1994) contends that unless there is proper job designs and implementation efforts to address what they call the structural features of organizations involving power distributions and cultures, they will not be successful. Study done by Shah et al (2012) in Public universities in Pakistan confirmed that strengthened organizational culture increases organization commitment among universities workers.

Culture is referred to as a set of shared values and beliefs which are themselves articulated by participants-in-culture in the form of shared meanings and understandings of organizationally significant phenomena (Hofstede, 1998; Schein, 2004). It's widely accepted that culture is about how people should behave at work and a set of values about what tasks and goals are important. It is a powerful dimension and should be considered carefully when discussing the impact of empowerment in an organization. Dimba and K'Obonyo (2007) states that culture influences perception, thought, action and feeling of employees, hence its importance. Organization culture has been noted to be an important factor in empowerment for it is a system of shared meaning held by members that distinguish one organization from the other. Culture creates dominance and coherence in an organization for it permeates the very fabric of the organizational life. Culture influences employee behavior at work which in turn affects performance of the

organization. A culture within an organization influences how it operates and the behavior of its members (Handy, 1993).

The culture of every organization has a direct effect on the product it produces or service it provides (Dimba and K'Obonyo, 2007; Schein, 2004). In an organization where there is high power distance employees tend view management as being 'up there' and them being "down there". This creates a communication barrier and employees develop dependency attitude. As such this gap should be bridged to allow members to share and encourage positive values and behavior. What organizational leaders should realize is that culture determines key interpersonal tasks such as risk tolerance, and a dedication to quality and innovation which must be managed effectively in an organization. For example a sense of dedication to service could have direct impact on customer service. In addition a collaborative culture enhances sharing of information and support unlike where hoarding of information is rampant (Ross, 2008). Sharing and access of information leads to participative and empowering culture which creates atmosphere of empowerment. However, in organizations where there is rigid and bureaucratic culture implementation of empowered is faced by myriad of challenges.

2.4.4 Leadership Styles

One of the critical functions of leadership in an organization is to facilitate the attainment of organizational strategy and goals by eliciting desirable behavior from the employees. Leader behavior can lead to success or failure of an organization. An organization depends on the leaders at various hierarchical levels to initiate action programs for achievement of organizational these goals (Dhladhla 2011). Leadership has been defined as the process where one influences another who is referred to as a "follower" (Yukl, 1994). The follower gets inspired to achieve the target, the group is maintained in cooperation and the planned mission is achieved (Yukl, 1994). Avolio et al (2004) contend that leader behavior has direct influence on job satisfaction, psychological empowerment, and organization commitment. Leadership is a critical factor in the success or failure of an organization. Leadership is the core and spirit of the organization.

Zhou et al (2008) postulates that leaders are not only in charge of the organization but also of the people; as such the relationship between leaders and their followers influences employees attitude towards the organization.

Scholars (Bass, 1990; Yukl, 2006) argue that leadership theories can be classified into those that focus on the leaders' traits that is, trait oriented –theories and those that focus on the leaders' behavior, that is, behavioral theories. Most studies have focused on the behavioral theories. Some of the most common and highly researched theories include transactional and transformational type of leadership their effects on organization performance, employee attitudes, empowerment and change in organizations. The study adopted transactional and transformation leadership styles.

2.4.4.1 Transactional Leadership

Transactional leadership is an exchange process. It is a matter of contingent reinforcement of employees based on performance (Men, 2010). Transactional leadership involves motivating and directing followers primarily through appealing to their own self-interest. The power of transactional leaders comes from their formal authority and responsibility in the organization. The main goal of the follower is to obey the instructions of the leader. The style can also be mentioned as a 'telling style'. This style of leadership was first proposed by Max Weber (1968) and then by Bass (1981). The leader believes in motivating through a system of rewards and punishment. If a subordinate does what is desired, a reward will follow, and if he does not go as per the wishes of the leader, a punishment will follow. Here, the exchange between leader and follower takes place to achieve routine performance goals. This style is occasionally referred to as authoritative style of leadership (Bass, 1981).

Literature on transactional leadership posits that the leaders' role is to clarify the roles of the subordinates and help them achieve those goals through the use of contingent rewards. This encompasses part of the path-goal theory. Path-goal theory suggests that the leader informs the employees what is expected of them and makes the work environment conducive by showing concern and being friendly (House, 1996). The goal is to increase empowerment, motivation and satisfaction so that the employees become

productive members of the organization (Bass and Avolio, 1993). This relationship forces the leader to make choices that promotes subordinates decisions while addressing and correcting failures in subordinates' action (House, 1996).

The primary goal of a transactional leader is to maintain the organizations and to promote stability by creating a give and take exchange between the managers and employees (Bass, 1995). Specific performances objectives are determined and communicated to the employees; the employees are then responsible for meeting them. These leaders link the goal to rewards, clarify expectations, provide necessary resources, set mutually agreed upon goals and provide various kinds of rewards for successful performance.

The relationship between the leader and their employees tend to focus on short-term completion of tasks. The relationship is based on exchanges that satisfy two separate goals of the leader and the subordinates. The characteristics of a transactional leader are contingent reward, active management by exception (where they actively monitor the work of their subordinates, watch for deviations from rules and standards and taking corrective action), passive management by exception (where they intervene only when standards are not met or when performance is as not expected), and laissez-faire (Bass, 1990).

2.4.4.2 Transformational Leadership

Transformational leadership creates value and positive change in people and it embraces changing with the times. It calls for a leader to focus on innovative ideas, influences the bosses to support their ideas, and inspires subordinates to make changes happen (Conger and Kanungo, 1987). Research evidence suggests that transformational leadership is positively associated with work attitudes and behaviors at both an individual and organizational level (Dumdum, Lowe, & Avolio, 2002; Lowe, Kroeck and Sivasubramaniam, 1996). This concept was first introduced by MacGregor Burns (1978) who stated that it is a process in which leaders and followers help each other to advance to a higher level of morale and motivation. Bass (1985), went further to state the transformational leadership can be measured in terms of influence on the followers. The followers of such a leader feel trust, admiration, loyalty and respect for the leader.

Transformational leaders seek to transform and have a lot of enthusiasm as they do so. Bass (1990) posits that the transformational leader must have energy, commitment, integrity and has to be careful in creating trust. They make continual effort to motivate their followers. According to Covey (1994) ‘the goal of transformational leadership is to transform people and organizations in a literal sense. He further states that – to change them in mind and heart; enlarge vision, insight, and understanding; clarify purpose; make behavior congruent with beliefs, principles, or values; and bring about changes that are permanent, self-perpetuating, and momentum building.’ Transformational leadership has four components: charisma or idealized influence, inspirational motivation where the leader has ability to motivate, intellectual stimulation and individualized consideration where the leader demonstrates genuine concern for the needs and feelings of followers and intellectual stimulation where the leaders challenges the followers to be creative and innovative (Bass and Riggio, 2006). Previous studies (Jing-Zhou et al 2008; Bass and Riggio; Harley 1999) found that the leadership style impacts on empowerment. The style a leader choose impacts on empowerment

Transformational leadership focuses on the quality of leader-staff relationship, and fosters staff engagement and effectiveness (Pearce et al. 2003). Compared to transactional leadership, transformational leadership tends to focus on the intrinsic rewards of employees to achieve organizational goals while the former focuses on extrinsic rewards. The primary objective of transformational leadership is to inspire change in the organization by exceeding prior standards and expectations. A study by Boonyarit et al (2010) carried out in Thailand on teachers in 154 schools, confirmed that transformational leadership is positively related to psychological empowerment ($r=.601$, $Beta=.65$)

2.5 Job-Related Attitudes

Job- related attitudes are evaluative tendencies towards aspects of work based on clusters of feelings, beliefs, and behavioral intentions. An attitude refers to our opinions, beliefs, and feelings about aspects of our environment. There are two major measures of attitude

at work which have the greatest potential to influence work that is job satisfaction and organization commitment. Previous studies ((Laschinger, 2009; Cohen, 2001) suggest that organization commitment has significant influence on organizational performance.

2.5.1 Job Satisfaction

Job satisfaction has been defined in different ways by researchers. Locke (1976) defines job satisfaction as an optimistic emotional feeling that results from employees own job evaluation practiced by what is projected from the job and what was actually received. It is influenced by many factors such as working conditions, supervision, compensation, recognition and empowerment. On the hand Allen and Meyer (1990) posit that job satisfaction is a cognitive and/or affective evaluation of one's' job which can be positive or negative. Each person has a different set of goals and beliefs about their job. If an employee believes there is positive correlation between effort and performance this will result to pleasant feelings and the reward will satisfy an important need. The desire to satisfy the need will be the drive to make the effort meaningful. Hackman and Oldham (1980) job characteristics model proposes that critical psychological states such as experienced meaningfulness, feelings of responsibility, knowledge of work results influence job satisfaction.

Employee job satisfaction has been positively correlated to increased employee satisfaction and customer satisfaction, which translates to enhanced organizational performance. Researchers (Fernandez and Moldogaziev, 2013; Bowen and Lawler 1995) have concluded that employee empowerment and participation has a moderately positive effect on job satisfaction and productivity. Studies also from public sector reveal a positive relationship between empowerment and job satisfaction (Wright and Kim, 2004; Fernandez and Moldogaziev, 2013). Further, Miller and Monge (1986), reported a positive correlation between empowerment and job satisfaction in studies conducted in organizational settings that incorporated measures of multiple dimensions of participation. A correlation between participation and productivity was revealed when they averaged the results of field studies. Kim (2002), in studies that contrasted directive versus participative processes, found a correlation between participation and satisfaction when participants were asked to perform simple tasks. This is important because it helps

support the suggestion that participation helps enrich simplified tasks. Hug and Hill (2004) concur that participation causes greater job satisfaction because employee feels more valued and trusted by management, and because the workers gains a better understanding of management difficulties by dealing with some of the same problems.

In modern day environment, job satisfaction is considered as one of the motivating factors for customer satisfaction, creation of quality and productivity. In the concept of total quality management for example it is argued that employees who possess high level satisfaction are well motivated and will be more efficient and effective. Other scholars (Robbin 2002; Armstrong, 2010) have concurred that job satisfaction leads to organization commitment and employees who are satisfied will feel also perceive that they are empowered. Job satisfaction and intention to stay in an organization has a strong relationship which affect performance. Employees who are happy with their jobs will also be happy about their organizations hence will work harder to meet organizations needs which translates into performance.

2.5.2 Organization Commitment

Organizational commitment has been given considerable attention in management research over the past few decades and has been conceptualized in terms of behavior and attitudes (Goulet and Frank, 2002). Commitment was defined as ‘the relative strength of an individual’s identification with and involvement in a particular organization’ (Mowday et al., 1979). Prior research suggests that work experiences and organizational factors are antecedent to organization commitment. Researchers (Laschinger, 2009; Cohen, 2001) have posited that empowered staff are more highly committed to their organizations. Therefore management in institutions must pay more attention to the managerial behaviours of their staff and it will more likely be involved in the monitoring task.

Employee empowerment is believed to be a motivator since employee involvement in decision-making makes employees feel valued. Employee empowerment also cultivates a sense of commitment to the organization. Since the environment is becoming more and more competitive, organizations are looking out for employees that can perform. Studies

show that psychological empowerment is closely related to organization commitment (Janssen 2004). Employees who feel that they have been empowered are likely to remain more committed to the organization (Allen and Meyer, 1990).

Meyer and Allen (1990) developed a three component model on commitment that is an affective emotional attachment towards an organization which he called affective commitment; the recognition of cost associated with leaving an organization which is continuance commitment; and a moral obligation to remain with an organization which he called normative commitment. However not all forms of employee commitment are positively associated with superior performance (Meyer and Allen, 1997). An employee who has low affective and normative commitment but has high continuance commitment is unlikely to yield performance benefits. The main reason such an employee remains with the organization is negative because the cost associated with leaving the organization is high.

Other scholars (Silva, 1986; Wang, 2004) contend that there are more than three models of commitment as proposed by Allen and Meyer (1991). Wang (2004) proposes five general factors (normative, value, affective, active, and passive continuance) which relate to the development of employee commitment. Affinitive commitment which is an organizations interest and values are compatible with those of the employees and the employee feels appreciated Associative commitment which is organizational membership that increases employee self-esteem and status. Moral commitment is when employees perceive the organization to be on their side and the organization evokes a sense of mutual obligation in which both the organization and the employee feel a sense of responsibility to each other. Affective commitment has to do with employees deriving satisfaction from their work, and the work environment is supportive.

Some researchers postulate that commitment is critical to organization successful performance, for it increases job satisfaction, decreases employee turnover and decrease intention to leave (Saif & Saleh, 2013). Committed employees work harder and add value to the organization and decrease absenteeism. In return the employees expect a conducive working environment, opportunities for development and conditions which fosters this relationship. Although various studies have been done to determine the process of

commitment limited research has been carried out to assess the impact of empowerment programs on organizational commitment. Huselid (1995), in a study in United States of America found that the use of high performance work practices relating to employee skills, organization structures and employee motivation was significantly related to low employee turnover. This is because over a long period of time organizational commitment tends to become stronger. The employee becomes attached to the organization and tends to develop positive attitudes hence no intention to leave which leads to low turnover.

2.6 Organizational Performance

Organizational performance is crucial to the survival of any institution. Performance measures are needed for decision making regarding the human resource in an organization. Venkatraman & Ramanujan (1986) argues that there is no correct definition of performance and suggest that conflicts between managerial perspectives be recognized. The classical approach to organization performance is best described by Sink and Tuttle (1989) came up with seven measures of performance in a model measuring Performance Management Process. The model proposes that the performance of an organization is a complex interrelationship among several performance criteria: effectiveness, efficiency, quality of products, productivity, and quality of work life, innovation and profitability. Sink and Tuttle (1989) view an organization as a system which receives inputs and then adds value to the output. As such organizational performance can be judged in terms of whether or not an organization achieves the various set of objectives. These objective may be financial or non-financial such as customer satisfaction, employee satisfaction, research and resource output.

The debate on organizational performance is inconclusive, different organizations use varying measures of performance depending on the area of operation. The measures may be quantitative or qualitative in nature. Krager and Parnell (1996) conceptualized financial measurements as an objective of planning. Financial measures were widely used for a long time, but in the recent years, researches have proved that other measures have to be incorporated. Apart from financial measures, Kaplan and Norton (1996; 2008) introduced the balance scorecard which considers other non-financial measures of

performance such as internal business process, learning and growth and customer perspective. Kushner and Poole (1996) measured organizational performance on eight performance areas including constituent satisfaction, reputation, internal process effectiveness, perceived potential for growth, attraction of funding and skilled human resources, diffusion of influence and administrative competence.

2.6.1 Quantitative Performance Measure

Human resource is one of the primary sources of competitive advantage in an organization. Scholars (Pfeffer, 1994; Guest, 1997; Armstrong, 2010) concur that adopting best human resources practices lead to enhanced performance. Performance depends on the personal traits, mental abilities and eagerness to be integrated with institutional purpose of each individual. Performance assessment is important to the operation of organization in that employees are able to take the result of performance assessment to improve their performance. This can be done through participating in the training and development, decision-making, access to information and management support as part of empowerment.

Competitiveness and efficiency in the workplace is important today than ever before, for work process are becoming more complex, competitive, challenging work conditions, and global challenges. To increase efficiency and competitiveness in the organization requires an empowered human resource. Quantitative measure adopted in this study was revenue growth/decrease.

2.6.2 Qualitative Performance Measure

Performance measure is the process of using a tool or procedure to measure a system. Performance measure results describe an observed level of performance such as for example number of publications per year or how many customer complaints were recorded within a given period. The qualitative measures are more subjective in nature because they are more concerned with measuring changes in peoples' behavior. They seek to impact and measure long term effect. The individual measures of performance could be in terms of quality, flexibility and cost, innovativeness, time, delivery of service, reliability among others.

Organizations are concerned with sustaining high levels of performance through people. To sustain high performance means giving close attention to the type of staff and to how best they can be motivated. This enhanced performance can be achieved through such means as recognition for achievement, incentives both intrinsic and extrinsic, leadership, autonomy, and involvement in decision making. The aim is to create a work environment that will enable individuals to deliver results in accordance with organization expectations (Armstrong, 2010), as such performance measures used have to be considered carefully. He further argues that the human resource systems may facilitate the development of human resource competencies through employee involvement and commitment.

Qualitative measures adopted in this study include non-financial measures namely: adherence to budget, sustainable revenue base, employee satisfaction, publications, and customer satisfaction. These measures were considered in view that universities are public institutions funded by the Government of Kenya.

2.7 Employee Empowerment and Organizational Performance

Empowerment denotes the enhanced involvement in organizational process and decision making. Scholars (Spreitzer, 1995; Menon, 2001) emphasize that empowerment influences performance. They affirm that empowered employees are highly involved and motivated, hence perform better. However results of most empirical studies examining empowerment and performance are inconclusive. Fernandaze and Moldogaziev (2011), in their study on empowering public sector employees, concluded that certain empowerment practices such as providing employees with job-related knowledge and skills and granting greater discretion, positively influence employee perceptions of performance. On the other hand, Hill and Hug (2004) argue that empowerment in some instances yields negative results. Empowerment practices aimed at rewarding employees based on their performance and providing them with more information about organizational goals and performance appear to have no meaningful influence on perceived performance. The findings revealed that employee empowerment improve the quality of service and the satisfaction of service recipients but these gains might come at an expense of work delays and lack of uniformity in services rendered. Further Spreitzer

and Doneson (2005) contend that the conceptualization of empowerment tended to focus on delegation, decision making and granting of power to employees, however development of multiple measures of empowerment would yield better results.

Organizational performance is based on both quantitative and qualitative indicators. The performance of public universities falls under the performance contracts instituted by the Government of Kenya for all the government ministries and public institutions (Kobia and Mohammed, 2006). The performance contracts instituted by the Government of Kenya include vision, mission, quality of service, resources, organization structures, completion of projects budget capitalization, employee satisfaction, customer satisfaction, debt/equity research output among others. Quantitative performance is perceived as measuring hard facts and rigid numbers. Quantitative measures are also seen as more objective indicators of performance such as the financial measures in the organization; while qualitative measures are perceived to be more subjective and are more difficult to ascertain. Qualitative measures are more difficult to ascertain because they tend to probe the way of situations, and contexts of peoples decisions, actions and perception. However they are important because they seek to measure the impact and long-term effects and benefits of an initiative. These measures include non-financial measures such as customer service, product quality, satisfaction, commitment and many others.

Empowering makes employee feel that they are appreciated and this will make them work towards achievement of organizational performance, as such measuring their performance and giving feedback is critical. This study adopted some of the measures in the performance contract such as student enrollment, publications, number of publications, completion rates, customer satisfaction index and employee satisfaction indexes.

2.8 Employee Empowerment, Job-Related Attitudes and Organizational Performance

Empirical studies have found that employee empowerment is positively related to a variety of work attitude and behaviours such as managerial outcomes, innovativeness, job

satisfaction and organization commitment, and employee retention (Kim, 2013; Fernandes and Moldogazieva 2011; Kirkman and Rosen 1999). While most research found positive results others found inconsistent results. Kim (2013) found that empowerment does not significantly relate to organization commitment whereas Alkhatan et al (2011); Park and Rainey (2008) found that employee empowerment is positively related organization commitment. Fernandes and Moldogazieva (2011) found that empowerment practices aimed at providing employees with access to job-related knowledge and skills and granting discretion to change work process have positive impact on performance.

Although empirical and theoretical literature shows that job-related attitudes are immediate product of empowerment and antecedents of organization performance (Kim 2013), they do not mediate relationship between empowerment and performance. Other scholars allude job-related attitudes provide a mechanism through which empowerment and other mediating variables affect performance (Tutar et al. 2011; Oloko, 2008; Kidombo 2007). Job satisfaction especially has been found to have positive relationship with empowerment for it gives employees a sense of control and making work more meaningful (Bowen and Lawler 1992, 1995).

2.8.1 Employee Empowerment and Job-Related Attitudes

Earlier scholars have identified organization behavior and job satisfaction as key factors and a result of empowerment (Laschinger et al. 2003; Spreitzer 1995; Kanter 1993). Empowerment plays an important role in improving job satisfaction and organization commitment. It has been described as a venue to enable employees to make decisions. Dickson and Lorenz (2009) found a positive relationship between employee empowerment and employee attitude which has effect on job satisfaction and organization commitment. Gill et al. (2010), concurs that employee empowerment significantly impact on job satisfaction however they also argue that there is need for further research on perceived job satisfaction and influence of other factors such as leadership styles.

Organization Commitment (OC) is an antecedent to job satisfaction to the extent that it involves a strong belief in and acceptance of the organization, a willingness to exert considerable effort on behalf of the organization, and a strong desire to maintain membership in the organization (Oloko, 2008). Meyer and Allen (1991) developed a three-component model of organization commitment measuring affective (employees emotional attachment to and identification with the organization), continuance (refers to cost associated with leaving the organization) and normative (employees desire to stay with the organization). Organization commitment predicts work variables such as turnover and job performance. Mowday et al. (1982) argue that where there is no organization commitment there is low rates of employee participation, psychological withdrawal, and low degree of personal investment. Chen and Chen (2008) found that some of the sub-dimensions of empowerment were either positively or negatively correlated to organizational commitment, as such empowerment effect on organizational commitment shows inconclusive results. This study will incorporate job-related attitudes (job satisfaction and organization commitment) as an intervening variable on the relationship between empowerment and performance.

2.8.2 Job-Related Attitudes and Organizational Performance

Job-related attitudes predict important employees' behavior towards performance. First employees with strong organization commitment are emotionally attached to the organization and have strong desire to contribute significantly to the organizational success (Kidombo, 2008; Mowday et al. 1982). This leads to competitiveness, accountability, minimum wastage of resources, high innovativeness, and desire to improve organizational performance. Laschinger et al. (2001) in their study of workplace empowerment, organizational commitment and job satisfaction, confirmed that there is a relationship between job-related attitudes and performance.

Notwithstanding the above, mistrust of management creates a poor work environment which results to decreased organizational commitment. In their study Laschinger, et al. (2001) and Mowday et al. (1982) concluded that providing empowering work environments enables employees to accomplish work, increases work satisfaction and trust in management which enhances performance in organizations. Tutar et al. (2011)

concur that organizational performance, effectiveness, success and productivity can only be achieved by responsible, competent employees who find their jobs meaningful. Employee commitment has long been recognized as an important factor to determine the success of an organization.

The history of the relationship between job satisfaction and performance can be traced back to the Hawthorne Studies. These studies were conducted in the 1930s and investigated the effects of employee attitudes on performance. Iaffaldanno and Muchinsky (1985) suggested that the statistical correlation between job satisfaction and performance was $R=.17$ which confirmed an earlier conclusion that presumed relation between job satisfaction and performance was just a 'management fad' and 'illusory'. Brayfield and Crocket (1955) on the other hand found statistical correlation between job satisfaction and performance was $R=.15$. However Organ (1988) suggests that the failure to find a strong relationship between job satisfaction and performance is due to the narrow means often used to define employee performance. Organ (1988) argued that when performance is defined to include important behaviours not generally reflected in performance appraisals such as organizational citizenship behaviours, its' relationship with job satisfaction and employee satisfaction improves. Research supports the notion that job satisfaction correlates with organizational performance.

Argyle (1989) found that when correlations are appropriately corrected (for sampling and measurement errors); the average correlation between job satisfaction and job performance is higher $R=.30$. In addition the relationship between employee satisfaction and performance was even found to be higher for complex jobs than less complex jobs. Thus contrary to earlier reviews, it does appear that employee satisfaction is, in fact, predictive of performance, and the relationship is even stronger for professional jobs. According to Robinson (2006) employee satisfaction and commitment are closely related to job satisfaction.

Scholars (Kim 2013; Alakhatani et al. 2011; Fernandes and Moldogaziev 2011) have established that job satisfaction and performance are correlated. Employees who are satisfied tend to have lower mental and physical health issues, less accidents on the job, can learn new tasks quickly, help colleagues at work place and are more supportive.

Superior performance can therefore be attributed to job satisfaction. At the same time satisfied employees remain in the organization and they support it.

2.9 Employee Empowerment, Organizational Performance and Institutional Factors

Substantial evidence suggests that empowerment and performance are positively related. Hill and Hug (2004) in their study concluded that empowered employees do not necessarily seek power in a political sense in the organization, but seeks for more discretion in decision-making and within their own work situation. This is in line with the ideology of total quality management which contributes greatly to continuous improvement in modern organizations. However there is also evidence to suggest that empowerment initiatives do not always deliver expected outcomes (Claydon and Doyle, 1996). Conger and Kanungo (1988) confirms that this could be due to lack of clarity in management literature on what empowerment really means. This lack of clarity and ambiguity surrounding empowerment literature leads to misinterpretation in theory and practice.

A further research on conceptualization of empowerment is necessary and its' impact on performance. This will shape various parties expectations and outcomes. The policies, strategies, structures adopted will enhance or hinder employee performance. Hill and Hug (2004) contend that when management wants to implement empowerment they should develop and communicate their definitions. Saif and Saleh (2013) who conducted a study on employee empowerment and performance of private hospitals in Jordan found that organizations that pursued empowerment strategies had the highest return on customer satisfaction, achieved better quality and enhanced performance because the employees were loyal, committed, psychologically empowered. They proposed that employees who feel psychologically empowered feel more satisfied, this leads to better performance and delivery of service.

2.10 Employee Empowerment, Institutional Factors, Job-Related Attitudes and Organizational Performance

Employee empowerment is derived from the human relations school of thought. In situations where there are proper institutional factors of structures, strategies and

organization culture then empowerment and performance is enhanced and vice versa. Also where there is proper empowerment structures employees are more satisfied with their jobs and committed to the organization. Light (2004), posits that empowerment of employees directly correlates to increased employee satisfaction. To sustain superior performance the Resource Based View (RBV) theory postulated that when firms have bundles of resources that are valuable, rare, inimitable, and non-substitutable, they can implement value creating strategies not easily duplicated by competing firms (Wernerfelt, 1984; 1995). Empowered employees are valuable resources. However the debate on organization performance is not concluded in extant human resources management literature. According to the literature, performance must be considered beyond quantitative outputs and to include behavioral inputs as well (Armstrong, 2006; Kaplan and Norton, 1992). Performance encompasses more than financial measures; it includes commitment of employees, outputs, customer service, employee satisfaction and strategies that can improve efficiency. Context research situations and objectives according to literature, has a major influence on nature and type of measures; with possibility that the differing nature of organizational performance as dependent variable in different studies have contributed to inconsistencies in findings.

On the other hand the institutional theory (North, 1990), suggests that organizational structures and processes become institutionalized over time and these have an effect on performance. Although an attempt is made to study the institutional factors, the process through which this relationship is achieved is not well understood. There is therefore need to carry out further research. The leaders who drive these strategies, structures should possess the ability to help the organization achieve its objectives and over time institutionalize them. Studies show that institution factors should support empowerment process to increase performance and when this lacks there is negative impact. The creation of an empowered organizational structure is important for achievement of empowerment programs which leads to job satisfaction and organization commitment. The organization leaders should also understand that their leadership styles influence the behavior of the staff in the universities as such should select the style that best suite organizational goals and employees' needs and desires.

2.11 Summary of the Literature and Knowledge Gaps

Pertinent literature has revealed that employee empowerment can be positively related to performance and it is a critical factor organization commitment. Arising from the prevalent industrial unrest across the country credibility of existing institutional structures and leadership have been put to question due to their inability to comprehensively explain the recent phenomenon. The need to explain the recent upheaval in spite of existing structures has led to renewed interest in the subject today especially in the public sector.

The ‘traditional approach’ to looking at human resources practices has tended to rely on the monitoring of hard and soft skills of human resource (Armstrong, 2010; Kidombo, 2008). The top management tends to make all the decision without involving employees, however there is changing tide where employees are demanding of more participation in the operations of their organizations.

The conclusion that may be drawn from the pertinent literature is that the existing framework for analyzing employee empowerment is inadequate, and has thus failed to explain the phenomenon of empowerment malpractice. Several researchers have identified strategy, structure, leadership, and policies (institutional factors) as the main missing link in empowering employees. Hence there is need to continue with research endeavors, particularly in developing countries in an attempt to obtain concrete evidence on the role of institutional factors in empowerment.

The literature analyzed above indicates the different studies and their area of focus in employee empowerment and organization performance relationship. These studies arrived at findings that have brought out the research gaps which have informed the current study. The study focused on these gaps with a view to making a contribution to the employee empowerment and performance relationship debate by researchers and academicians. These gaps are presented in Table 2.1 below

Table 2.1 Summary of Literature and Knowledge Gaps

Empirical Studies	Focus	Findings	Gaps	Focus of Current Study
Gorbhani et al. (2012)	Factors affecting empowerment of employees	There is significant relationship between factors affecting empowerment of: having clear goal training, providing information, delegation trust, and participative management and empowerment of employees	Study failed to consider effect of institutional factors empowerment of employees	The study will incorporate institutional factors as moderating variable
Tutar et al. (2011)	Investigated effect of perceived empowerment on contextual performance	Employee empowerment is an important predictor Variable to achievement motivation and contextual performance of employees.	Study failed to consider effect of other factors like institutional factors such as: (strategy, structure and culture)	The study will incorporate other factors such strategy, culture, structure and leadership types culture)
Alakhatani et al. (2011)	Focus on employee empowerment and job satisfaction as predictor for effectiveness	Employee empowerment has predictive explanatory power on the job satisfaction	The study links empowerment as predictor to job satisfaction which leads to performance however failed to consider other variables	The study will incorporate other variables of institutional factors and organizational commitment which have influence on empowerment and performance
D.J. Kipkebut (2010)	Organizational commitment and Job Satisfaction in higher educational institutions: The Kenyan case	Established Meyer and Allen's multidimensional organizational commitment is applicable to a Kenyan setting	The data for this study was collected using questionnaires from 829 academic and 785 administrative employees from three public and three private universities	The effect of employee empowerment not considered
Ke et al. (2011)	Focus on effects of empowerment on performance	Psychological empowerment aspects of competence and impact has influence on performance	Failed to incorporate other aspects of empowerment-structural empowerment	The study incorporates all aspect of empowerment

Shin, (2010)	Focused on state policy effect on institutional performance in higher education	Concluded that accountability and government policy have effect on performance of higher education	Study measured performance through graduation rates and research funding only but failed to examine moderating variable of institutional factors	This study will incorporate institutional factors and empowerment outcomes effect on performance
Gill et al. (2010)	Leadership and employee empowerment on job satisfaction in Indian restaurants	Employee empowerment significantly impacts job satisfaction	Did not study other factors that could lead to job satisfaction and performance in different sector.	There is need for further research on perceived job satisfaction and other factors on employee performance
Ismail et al. (2009)	Looked on empowerment as a mediating variable between leadership and performance	Relationship between empowerment and transformational leadership significantly correlates with performance	Study ignored other types of leadership	This study will incorporate transactional leadership style and other institutional factors
Moye ,and Henkin (2006)	Explored association between employee empowerment and interpersonal trust in managers: Survey carried on 2000 salaried employees in Fortune 500 companies;	Found that employees who feel empowered have more positive relationships with the managers i.e. build trust and perform better	Failed to factor in Job-related attitudes of job satisfaction and organization commitment	Extend study by introducing job-related attitudes as an intervening variable
Russ M J 2007	Employee and organizational differences in organizational commitment and escalation of commitment	Identified factors that predispose persons to escalate their commitment	The study analyzed employee level of organizational commitment type, moderators of same university respondents	Effect of employee empowerment not considered

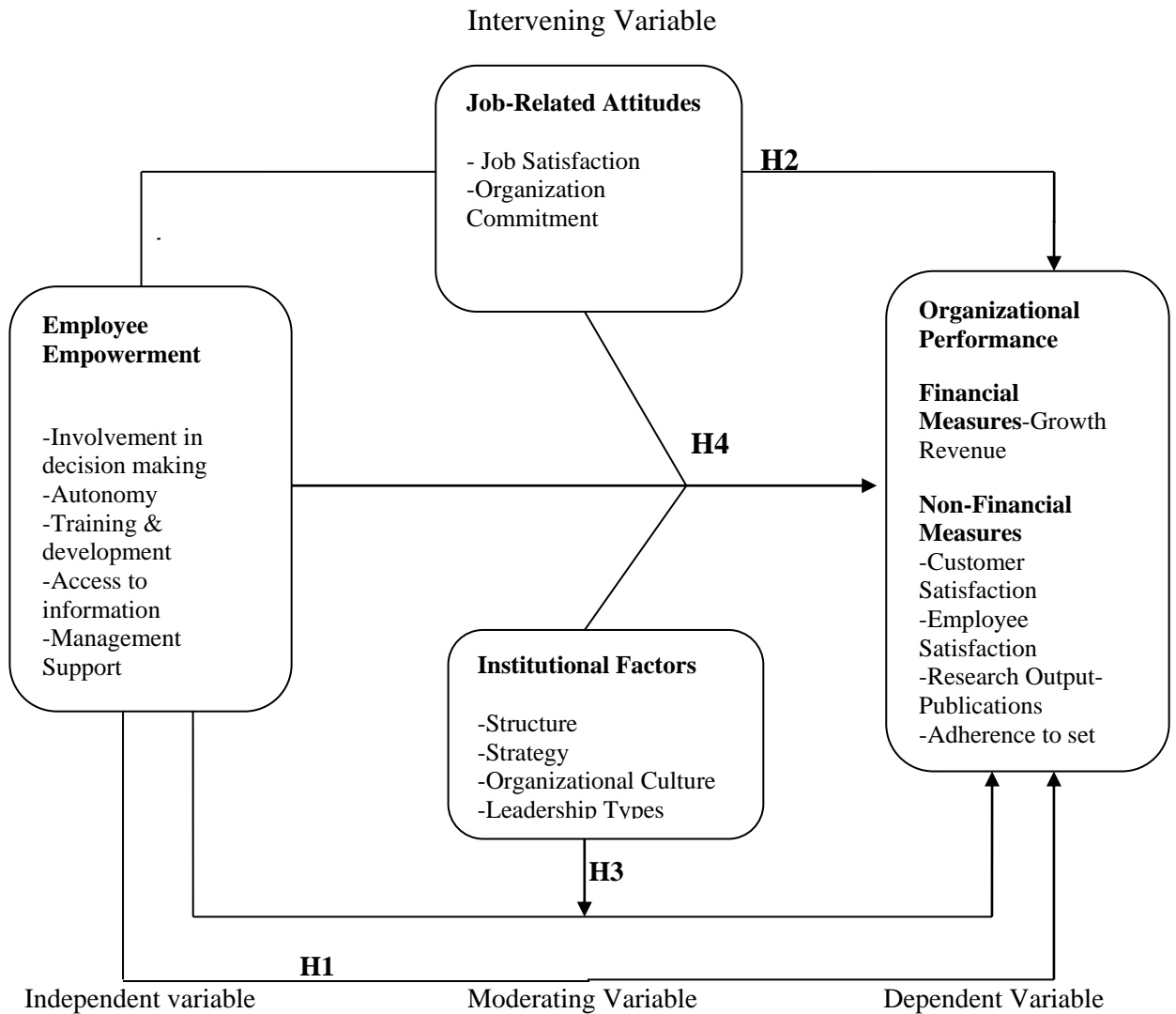
2.12 Conceptual Framework

The conceptual framework model considers how employee empowerment, institutional factors, job-related attitudes can be utilized to enhance performance. Previous studies have established that employee empowerment attributes such as involvement in decision making, autonomy, management support and training and development have impact on organizational performance. It has been demonstrated that employee empowerment is a critical aspect in motivating employees. Employees are empowered when they have access to information, support, resources and opportunities to learn and grow in their work environment.

On the basis of the conclusions from the literature reviewed, it can be argued that all factors being constant, it would be expected that variations in empowerment programs will probably cause differences in the output aspects of performance. From the literature review it is conceptualized that organizational performance is dependent on unique combination of employee empowerment factors and institutional factors. The results show that though empowerment leads to increased performance in some instances it does not achieve what it promises. There are also other variables that moderates and mediates the relationship between empowerment and performance. One proposition is that variations in actions relating to implementation can come from other factors such as structure, strategy, culture and leadership styles. This in turn would influence the intended organizational outcomes, which constitute behavioral inputs such as described by Armstrong (2006).

Previous studies lend support to the positive relationship between employee empowerment and performance. These study hypothesises that public Universities in Kenya may increase their performance by adopting employee empowerment strategies. This relationship may be influenced by institutional factors and job-related factors. The variables that have been captured in the literature review, the relationships and linkages among them have been integrated to constitute a conceptual framework as depicted in Figure 2.1

Figure 2.1 Conceptual Model



The schematic diagram presented in Figure 2.1 suggests an interrelationship among relationship between four variables under study employee empowerment, institutional factors, job-related attitudes and performance. Organizational performance is independently influenced by employee empowerment. Institutional factors moderate the relationship between employee empowerment and performance and job-related attitudes mediates the relationship the influence of employee empowerment on performance of public universities in Kenya.

2.13 Conceptual Hypotheses

From the conceptual analysis and gaps identified the following hypotheses for the study were formulated:

H1: Employee empowerment has influence on performance of Public Universities in Kenya.

H2: The influence of employee empowerment on performance of Public Universities in Kenya is mediated by Job-related attitudes.

H3: The influence of employee empowerment on performance of Public Universities in Kenya is moderated by institutional factors.

H4: The joint effect of the employee empowerment, job-related attitudes, and institutional factors is significantly greater than the effect of each individual variable on performance of Public Universities in Kenya.

2.14 Chapter Summary

This chapter reviewed literature on the influence of independent variable employee empowerment on organizational performance; the mediating role of job-related attitudes and the moderating role of institutional factors on this relationship. The chapter also explored the direct relationship between organizational performance, job-related attitudes and employee empowerment. The chapter presented the theoretical foundation of the study by reviewing the empowerment theory, psychological and structural empowerment, institutional theory which constituted the theoretical underpinnings of the study. This was followed by theoretical and empirical literature of the previous studies and a summary of the gaps. A conceptual framework and the corresponding hypotheses were also presented.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This Chapter provides the link between the research model and empirical results. It answers the what, the how and the why questions relating to the approaches and methodological choices that were made relating to the study. In particular, the chapter has explained the research philosophy, research design, population of study, sample design, data collection methods and data analysis. The chapter also presents the study variables, and their operationalization.

3.2 Research Philosophy

The research was concerned with understanding of the present with a view to being able to predict the future situation. Research philosophy is the foundation of knowledge and the nature of that knowledge contains important assumptions about the way in which researchers view the world (Saunders et al., 2007). Research methods are influenced by philosophical orientations.

Epistemologically, there are two broad research philosophies that dominate the literature in the social sciences: positivism and phenomenology. These philosophical approaches are defined by assumptions concerning reality (ontology), epistemology (knowledge), human nature (pre-determined or not) and methodology. According to Cooper and Schindler (2006), positivism takes the quantitative approach and is based on real facts, objectivity, neutrality, measurement and validity of results. The roots of positivism lie particularly with empiricism, that is, all factual knowledge is based on positive information gained from observable experiences, and only analytic statements are allowed to be known as true through reason alone. Positivism maintains that knowledge should be based on facts and not abstractions; thus knowledge is predicated on observations and experiments based on existing theory. It sees the need to know in a context when the truth is one and to predict as the important means to knowledge creation. Positivism emphasizes that the observer is independent from what is being observed, the choice of what to study is determined by objective rather than beliefs, and

that the concepts need to be operationalized in such a way that they can be measured in a sample and generalized to the whole population. This research was therefore grounded on positivist research paradigm, a paradigm characterized by a belief in theory before research, statistical justification of conclusions and empirically testable hypothesis, the core tenets of scientific methods (Cooper and Schindler, 2003).

This required that the facts must be established for casual relationships that may be observed. Empirical studies based on hypothetical and deductive research approach in which the study begins with a hypothesis, are most appropriate for this kind of investigations. The study of employee empowerment, institutional factors, job-related attitudes and performance is a study that essentially seeks to establish possible relationships among these variables and the strength of such relationships if they do exist. This study therefore was inclined to a positivist research approach.

The phenomenological paradigm may be viewed as qualitative. Phenomenology suggests, that knowledge is subjective, based in the experiences, personal knowledge and interpretation of the individual. Its emphasis is on the world as experienced by a person, not the world or reality as something separate from the person (Saunders et al., 2007). The phenomenological approach does not begin from an established theory and then proceed to collect data to either vindicate or reject the theory. This study was guided by the positivist paradigm because it was anchored on theory from which hypotheses were derived, followed deductive reasoning and employed quantitative methods to ensure precision, logic and evidence testing.

3.3 Research Design

Research design is the plan and structure of the study so as to obtain answers to the research questions. It is a framework for specifying the relationships among the study variables. This study used descriptive cross-sectional survey design as it sought to describe and establish relationships among key study variables. A positivist research relies on taking large samples. The design chosen for this study was guided by the purpose of the study, the type of investigation, the extent of researcher involvement, the stage of knowledge in the field, the period over which the data is to be collected and the

type of analysis. Cross-sectional studies have been found to be robust in relationships studies given their ability to capture the population characteristics in their free and natural occurrence (O'Sullivan and Abela, 2007). A cross-sectional approach enhances the credence of results by providing conclusions on data as at a given point in time.

Other researchers (Monari 2013; Tutar et al. 2011; Oloko, 2008; Munyoki, 2007) have used cross-sectional survey and regarded it appropriate and reliable to investigate similar studies. This approach is versatile since employee empowerment is an abstract concept which can be best studied using a survey. The approach provided the researcher an opportunity to develop a broad based understanding of the joint effect of institutional factors and job-related attitudes on employee empowerment variables within a public institution of higher learning.

Kerlinger (1986) argues that survey method is widely used to obtain data useful in evaluating present practices and providing basis for decision making. Cooper and Schindler (2003) posited that if the research is concerned with finding out what, when, and how much of phenomena, descriptive research design is found to be appropriate. These were the key concerns of the present study, hence the appropriateness of the choice of a descriptive survey design.

3.4 Target Population

The target population for this study comprised of Chartered Public Universities in Kenya. For this study the public universities in Kenya were defined; first as all those who are funded partly or wholly by the Government of Kenya. The second criterion for selection to participate in the study was having a charter. This criterion provided twenty two chartered public universities for study as shown in Appendix 3. The twenty two public universities are in line with Commission for University Education in Kenya list by 2013 (CUE, 2013). The chartered universities were preferred as they have defined structure, a legal mandate to operate and are likely to exhibit elaborate relationships among the study variables. The respondents were selected from the individual chartered universities. The total population of the universities is over 25,353 employees. The institution formed the unit of analysis and the respondents were selected from academic and non-academic staff

(senior and middle level staff). A list of the twenty-two chartered public universities served as the sampling frame. The list is attached in Appendix 3

3.5 Sample Design

The study was carried out in twenty-two chartered public universities in Kenya. Sampling involves selecting individual units from a larger population. Stratified random sampling was used to select samples from the population of the twenty two chartered public universities. To identify respondents in each university a multi-stage sampling technique was applied. Multistage sampling allows a larger number of units to be sampled at a given time. Multistage sampling involved the following stages. The first stage involved selection of the respective twenty-two universities participating in the study from which the respondents were drawn. The second stage involved selection of academic units within each university selected. Units in this study simply refer to divisions/sections/departments in the institutions which was used to select participating units. The academic units selected included: schools/faculties/centres/institutes or directorates in each of the participating university. The total number of Schools/Faculties/Institutes/Directorates was 219 in the Chartered Public Universities as at 2013. The third stage involved selecting randomly twenty percent (20%) of the schools/faculties/centres/institutes or directorates in respect of academic staff. Institutions which had more than ten (10) Schools/faculties/centres/institutes or directorates only 10% of the same were randomly selected to be used in the study. Choosing 10% of target population is consistent with suggestion by Mugenda and Mugenda (1999) and Kerlinger (1986) who posited that for descriptive studies 10% of the accessible population is sufficient. Academic staff who participated in the study comprised of: professors, associate professors, senior lecturers, lecturers, and assistant lectures and tutorial fellows. All academic staff who participated in the study were grouped together regardless of grade totaling to 1,137.

The fourth stage involved selecting randomly non-academic staff. Non-academic staff comprised of senior and middle level staff. Senior management consisted of grade 11-15 or its equivalent; which comprised of: registrars, deputy registrars, finance officers, deans, chairs of department, librarian, senior accountants, senior assistant registrars or its

equivalent. All senior staff were grouped together irrespective of grade. Middle level staff consisted of grades 6-10 or its equivalent which comprised of: assistant registrars, senior assistant accounts officer, senior technologist, senior administrative assistant, transport manager, procurement officer, assistant librarian, accountants, personnel officers, assistant deans, executive secretary, or its equivalent. All middle level staff who participated in the study were grouped/lumped together irrespective of their grades. Total number of respondents for non-academic staff were 8,973.

The fifth stage involved use of stratified sampling to obtain respondents from the sampled units. The various strata were identified and 10% of the staff in each unit/strata was identified to be used in the study. This is consistent with recommendation by Mugenda and Mugenda (1999). It is also consistent with Kerlinger (1986) who suggested that for descriptive studies 10% of the accessible population is sufficient. Using 10% a total number of 114 academic and 897 non-academic staff was randomly selected to take part in the study. The selected units and details are presented in Appendix 4.

3.6 Data Collection

The study used both primary and secondary data. The research mainly relied on quantitative data which was using a questionnaire. This tool was chosen because of the nature of the respondents who were academic, senior managers and middle level staff in the universities. The questionnaire was deemed well because of the high literacy levels among the category of employees selected to participate in the study. Previous studies such as Monari (2013); Mulabe (2013) in the same area have favoured the use of questionnaires.

Primary and secondary data was collected. Primary data focused on employee empowerment, institutional factors and job-related attitudes. Secondary data focused on revenue growth. Secondary data was obtained from university records at Commission for University Education, and Performance Contracting reports. The questionnaire was subdivided into five parts. Part one obtained data on the profile of the respondents and their respective institutions; Part two captured data on Employee empowerment; Part three obtained data on Institutional factors; Part four obtained data on Job-related Attitudes; and Part five captured data on non-financial Performance.

The primary data was collected using a structured questionnaire with statements anchored on a Likert-type five-point scale ranging from “Not at all (1) to “to a very great extent (5)” was used to collect primary data. Semi structured questions were used to obtain general information. Questions one to ten required the respondents profile and institution profile. The rest of questions were designed to address research questions and objectives based on study variables. The use of questionnaire was preferred in this study because the respondents were literate and were able to understand the questions and respond appropriately. Secondly a questionnaire could be administered simultaneously to a large number of people at their convenience.

The survey questionnaire was administered to the respondents through the drop and pick method. Cooper and Schindler (2003) posit that a self-administered survey method is especially appropriate when it is important for the respondent to have adequate time to carefully consider their responses as was the case in this research. Other advantages for the self-administered questionnaire were cost and the anonymity provided to the respondent. The decisions to use these methods were aimed at improving the quality of data collected. Due to the large numbers of respondents, two research assistants were engaged and briefed on how to approach the institutions, how to present themselves and how to distribute the questionnaires to the respondents in the universities. The research assistants were trained and sensitized them on the content of the questionnaire, data collection method and procedures, and on issues of ethics. As a control measure and ensuring that the research assistants actually visited the institutions and engaged respondents, contact persons were requested to confirm that the research assistants indeed visited and engaged the respondents. The researcher regularly engaged the research assistants for purposes of monitoring progress on data collection.

To facilitate field work a letter of introduction explaining the purpose of the data collection and assuring the respondents confidentiality was attached to the questionnaire. It explained that the data being collected was for academic purposes and their contribution as respondents was important, as the study would contribute to knowledge in the human resource discipline. The respondents were assured that the identity of their

organizations would be kept confidential. The researcher also got a license from the National Council of Science and Technology to conduct research in the said sector.

3.7 Reliability and Validity

Reliability is a measure of degree to which a research instruments yields consistent results (Mugenda and Mugenda, 2003). It was important to establish internal consistency (the measurement of the concept is consistent in all parts of the test) of measurement scales. Internal consistency of the research instrument was measured through Cronbach’s Coefficient Alpha. Cronbach Alpha (α) is used to measure the reliability of a research in which Likert type scale with multiple answers is used to collect data (Nachmias and Nachmias, 2004). The current research adopted the Likert type scale as the instrument for data gathering. Cronbach Alpha indicates the extent to which a set of measurement items could be treated as measuring a single latent variable (Cronbach, 1951). The alpha coefficient ranges in value from 0 to 1. A high coefficient implies that the items correlate highly among themselves, that is, there is consistency among items measuring the concept of interest (Nunnaly, 1978). Cronbach Alpha Coefficient (α) value of 0.7 was used as cut off point and all items whose value was less than 0.7 were considered weak, and therefore removed from the questionnaire. A summary of the scores of the variables on the Cronbach’s Alpha Reliability Coefficient is presented in the Table 3.1. The study also adopted measures from previous studies that had been previously tested for reliability. Adjustments on the measurement instrument were made to ensure they were relevant and in line with research.

Table 3.1 Reliability Test Table

Part of Questionnaire	Variable	Number of Items	Cronbach Alpha Coefficients
Part Two	Employee Empowerment	39	.939
Part Three	Institutional Factors	59	.950
Part Four	Job-related Attitudes	19	.925
Part Five	Organizational Performance	4	.919

Source: Primary Data (2014)

Table 3.1 show that the Cronbach’s Alpha coefficient of the independent variable, namely employee empowerment is .939, while for institution factors was .950, job-

related attitudes .925 and organizational performance .919. All the coefficients for the instrument measured above the minimum 0.7. These Alpha coefficients compare well with those obtained from other studies (Fernandes and Moldogaziev (2011); Ming 2010; Menon 2001) in the area.

Validity in research is concerned with whether a research measuring what is intended for measurement. The validity of the instrument relates to its ability to measure the constructs as purported. Validity is a measure of “correctness”. It is the accuracy and meaningfulness of inferences, which are based on the research results. Validity is the degree to which results obtained from the analysis of the data actually represent the phenomenon under study (Mugenda and Mugenda, 2003; Sekaran, 2000). It is largely determined by the presence or absence of systematic error in the data (non-random error). The study used face, content and constructs validity. Face validity dealt with the researcher’s subjective evaluation of the validity of the measuring instrument. The current research relied on instruments developed in other related studies, as well as concepts generated from appropriate literature. Content validity measures the extent to which the instrument provides adequate coverage of the questions guiding the study (Cooper and Schindler, 2006). A pilot study was undertaken to check for consistence and any weaknesses in design and development of the questionnaire.

A pilot study was carried out before rolling out the main study. The pilot study revealed important information within the data sets. In the pilot study, thirty respondents were conveniently selected from two universities. The participants in the pre-test survey answered all the questions. Out of thirty (30) who were sampled for the pilot test, only twenty-five (25) responded. Questions that attracted bias and not clear were struck out. The score for the pilot study was 0.85 which confirmed that there was a high internal consistency in the data collection instrument. The results of the pilot study analysis were incorporated in the final instrument before undertaking the main research.

Construct validity is an assessment of how well the theories or ideas have been translated into actual measures. The variables in the study have been operationalized to reflect the theoretical assumptions that underpin the conceptual framework for the study.

3.8 Operationalization of Research Variables

This section describes the operationalization of research variables as depicted in the conceptual model. Operationalization facilitates definitions of constructs into observable behavior or characteristics that can be measured (Sekaran, 2000). The study was guided by previous studies (Kanter, 1983; Spreitzer, 1995) that measured employee empowerment and organizational performance.

Independent variable accounts for the variance of the differences in the dependent variable. Employee empowerment (independent variable) was operationalized as: decision making, autonomy, training, growth opportunities, access to information, and management support. To measure the independent variable, the scale by Spreitzer (1995) was adopted and modified to fit the context. An aggregate measure (composite score) of employee empowerment was obtained by combining the mean score of empowerment dimensions. The moderating variable consisted of institutional factors which included: strategies, structure, organization culture, and leadership types. The intervening variable was Job-related attitudes which consisted of job satisfaction and organization commitment. Job satisfaction was measured using modified scale of Minnesota Satisfaction Questionnaire to fit the context while employee commitment was measured using modified Meyer and Allen (1991) also to fit context.

In the study, the dependent variable was organizational performance. A dependent variable is one that is influenced by some other variable. Review of existing literature provided an expansive view of measuring organizational performance namely: financial and non-financial or quantitative and qualitative. The dependent variable organizational performance was based on the following: financial performance was measured using revenue growth. Non-financial performance was measured using: employee satisfaction, customer satisfaction, research grants and publications, adherence to budget (monitoring of financial performance).

The moderating variables are those variables on which the relationship between two other variables is contingent. Cooper and Schindler (2003) posit that a moderating variable is a second independent variable that is included because it is believed to have a significant

contribution of contingent effect to the originally stated independent-dependent variable relationship. Moderating variable in the study was institutional factors which had strategy, structure, culture, and leadership styles dimensions (transactional and transformational).

The intervening/mediating variable in the study was job-related attitudes. An intervening variable serves as a function of the independent variable in helping conceptualize and explain the influence of the independent variable on the dependent variable. The mediating variable in the study was job-related attitudes which had two measures namely: job satisfaction and organization commitment.

The study variables are therefore operationalized and measured as follows:

Table 3.2 Operationalization of Research Variables

Variable	Operation Definition	Measure	Question
Employee Empowerment	Decision Making Extend managers make decisions without external interference, confidence in decision making	Five-Point Likert Type Scale	Part Two Q16 a 5-point scale
	Autonomy Extend to which employee have say in scheduling their work; Flexibility, locus of control, Perceived power	Five-Point Likert Type Scale	Part Two Q17 a 5-point scale
	Training and Development Human resource development and opportunities – growth	Five-Point Likert type Scale	Part Two Q18 a 5-point scale
	Access to Information Extent of information sharing, vision, mission, objectives; Timeliness of information; Integrity and credibility of information; Accuracy and completeness of information	Five-Point Likert Type Scale	Part Two Q19 a 5-point scale
	Management Support Provision of resources for tasks; concern for employees; helping employees to do their tasks;	Five-Point Likert Type Scale	Part Two Q20 a 5-point scale
Institutional Factors	Organization Strategy Extent of involvement in University strategic planning and formulation of strategy	Five-Point Likert Type Scale	Part Three Q22- a 5-point scale
	Organizational Structure Centralized power Decentralized power - flexibility, division of decision making power, dynamic	Five-Point Likert Type Scale	Part Three Q23- a 5-point scale
	Organization Culture Extent to which organization creates an enabling empowerment culture; participative and non-participative culture	Five-Point Likert Type Scale	Part Three Q24- a 5-point scale
	Transactional Leadership	Five-Point	Part Three

	Motivating employees in direction of established goals; achievement of goals through rewards and punishment; Emphasize on rules and procedures	Likert Type Scale	Q25- a 5-point scale
	Transformational Leadership Motivating employee through clear identification of vision of the organization; Inspire and guides followers	Five-Point Likert Scale Type	Part Three Q26- a 5-point scale
Job-Related Attitude	Job satisfaction Motivated, high morale, feeling good about work	Five-Point Likert Scale Type	Part Four Q27- a 5-point scale
	Organization Commitment Unwillingness to leave the organization, identification with the organization (-affective, continuance and normative)	Five-Point Likert Scale Type	Part Four Q28 – a 5-point scale
Organizational Performance		Measure	Question
Organizational Performance	Non-Financial Performance Customer Satisfaction Employee Satisfaction Adherence to budget Research Output/Publications	Secondary data-reports, performance contract forms, records from departments	Part Five Q29 – a 5-point scale
	Financial Performance Revenue Growth	Secondary data	Part Five Q30 reports, performance contract forms

Source: Researcher (2014)

3.9 Data Analysis

Data was analyzed using both descriptive statistics (frequency distributions, means, and standard deviations) and inferential statistics (correlation analysis, analysis of variance and regression) to analyze the data. Descriptive analysis was conducted to present main characteristics of the collected data. Inferential statistics were used to test a number of hypothesized relations as to allow generalization of the findings to a larger population. To test the pattern of relationships between research variables as stated in the hypotheses, simple and multiple regression equations were used as required. The regression analyses provided estimate equations to predict the magnitude of the dependent variable and provide values for the predictor variables.

Pearson Moment Correlation (r) was derived to show the nature and strength of the relationship among variables of the study. The relationship is strong when $r=0.5$ and above, moderately strong when r is between 0.3 and 0.49, weak when r is below 0.29, and a correlation of 0 indicates no relationship. The square of the correlation coefficient, the

Coefficient of Determination (R^2) was used to determine goodness of fit of different models and used to measure the amount or degree of variation in the dependent variable(s) attributed to the predictor variable(s). The closer R^2 is to 1, the better the fit of the regression line to actual data. The Beta values show the amount of change in the dependent variable attributable to the amount of change in the predictor variable, and the F ratio is a measure of how well the equation line developed fits with the observed data or it simply measures the model fit. The statistical significance of each hypothesized relationship is interpreted based on the F and t values.

Stepwise regression analyses was used for verification of intervening role by adding them sequentially to the regression equation to determine how much each variable is adding to the Predictor Y. High values of the Coefficient of Determination (R^2) (usually above 0.6) signal the extent to which the model accounts for variation in the dependent variable, and Analysis of Variance (ANOVA =F test).

A multiple linear regression was adopted for the joint effect to study the linear relationships among the variables. A multiple linear regression analysis is a multivariate statistical technique used to estimate the model parameters and determine the effect of individual independent variables on the dependent variables. In multiple regression analysis the model takes the form of an equation that contains a coefficient β_1 for each predictor; which indicates the individual contribution of each predictor model. In sum, the coefficient β_1 indicates the relationship between independent variable and each predictor. If the value is positive it can be stated that there is a positive relationship between the predictor and outcome variable whereas a negative coefficient represents a negative relationship.

The general model for predicting organizational performance was represented by the following model: $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 \dots \beta_nX_n + \varepsilon_1$. Where Y is the dependent variable and is a linear function of $X_1X_2X_3 \dots X_4$ plus ε_1 , α is the regression constant or intercept, $\beta_1 \dots n$ are the regression coefficient or change induced in Y by each X, $X_1 \dots n$ are independent variables, ε_1 is the error term that accounts for the variability in Y that cannot be explained by the linear effect of the predictor variables. To estimate model of

performance was expressed as $OP = \alpha + \beta_1EEc + \beta_2IFc + \beta_3JRAc + \varepsilon_1$. OP is the estimated composite index of organizational performance measure, α is a regression constant or intercept, β_{1-3} are the regression coefficient. EE represents the composite score of employee empowerment and is the independent variable. JRA represents the mediating variables composite index. The moderating variables are represented by IF which is the composite score of institutional factors. ε_1 is the random error term that accounts for the variability of the organization performance that cannot be explained by the linear effect of the predictor variables.

To test the moderating effect of IF on the influence of EE and OP stepwise regression analysis was used. In the first step independent variable (EE and OP) were entered into the model as predictors of the outcome variable (OP). The independent variables do not have to be statistically significant predictors of the dependent variable (OP) in order to test for an interaction term (Baron and Kenny, 1986). In the second step, an interaction term was computed. An interaction term presents a joint relationship between employee empowerment and institutional factors and this relationship accounts for additional variance in the dependent variable beyond that explained by either employee empowerment or institutional factors alone. The moderator effect is present if the interaction term explains a statistically significant amount of variance in the dependent variable. The single regression equation was presented as:

$Y = \alpha + \beta_1X + \beta_2Z + \beta_3XZ + \varepsilon_1$ where α is a regression constant or intercept, β_1 is the coefficient relating to the independent variable, X(EE) to the outcome, Y(OP), β_2 is coefficient relating to the moderator, Z, to the outcome when $X=0$, XZ is the product of employee empowerment and institutional factors and ε_1 is the error term. The regression coefficient for the interaction term β_3 provides an estimate of the moderation effect. If β_3 is statistically different from zero, there is a significant moderation on the X (EE) and Y (OP) relation.

To examine the mediating effect, a four step procedure was used (Baron and Kenny's, 1986). Several regression analyses were conducted and the significance of coefficients examined in each step. In the first step a simple regression analysis with independent variable (EE) predicting the dependent variable (OP) was carried out. In the second

equation, a simple regression analysis with the independent variable (EE) predicting the intervening variable (JRA) was carried out. In the third equation, a simple regression analysis was carried out with intervening variable (JRA) predicting the dependent variable (OP) and finally, a multiple regression analysis with independent variable (EE) and intervening variable (JRA) predicting the dependent variable was carried out.

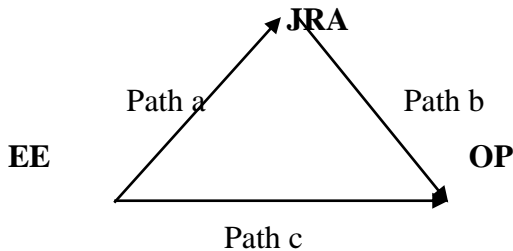
The purpose of step one to three was to establish if zero-order relationships among the variables existed and if they were statistically significant proceed to step four. If EE is no longer significant when JRA is controlled, the findings would support full mediation. If EE was still significant, that is both EE and JRA both significantly predict OP; the findings would support partial mediation. Figure 3.1 represents the graphical representation of the mediating effect:

Figure 3.1 Mediating Effect of Job-Related Attitudes on the Influence of Employee Empowerment on Organizational Performance

Part A: Overall Direct Effect



Part B: Path diagram for Mediation Effect of JRA



Source: Adopted from Baron and Kenny (1986)

As indicated in the above Figure 3.1 testing for mediation involves establishing four conditions by determining path ‘c’, independent variable is significantly related to OP dependent variable; path ‘a’ shows that EE is significantly related to JRA, if JRA is not associated with EE and they do not mediate the EE and OP relationship; path ‘b’ the JRA are significantly related to OP and finally when controlling for the effects of JRA on OP,

the effect of EE on OP is no longer significant Path 'c' (Baron and Kenny, 1986). According to Baron and Kenny (1986), only Path 'a' (the independent variable is correlated with the mediator) and path 'b' (the mediator affects the dependent variable) are necessary conditions for establishing a mediation effect.

3.10 Test for Multicollinearity and Normality

Prior to testing the hypotheses using regression analysis the study ensured that the basic conditions for the application and interpretation of the results is complied with. The use of regression analysis assumes that the data is normally distributed and that there is independence of errors as such it was necessary to control multicollinearity.

Multicollinearity exists when there is a strong correlation between two or more predictor variables in a regression model and poses a problem in multiple regressions. Problems caused by multicollinearity are such as increase in the standard errors of the B coefficients meaning that the Betas have relatively higher variability across samples and less likely to represent the population. The other problem is limiting the size of R the measure of multiple correlation between the predictors and the outcome, and R squared the variance of the outcome for which the predictors account, making the second predictor to account for very little of the remaining variance. Further it reduces the contribution of predictors making it difficult to assess the individual significance of a predictor.

In this study tests of normality were done using histograms, while linearity was done using scatter plots. Multicollinearity and heteroscedasticity were tested using Variance Inflation Factor (VIF) and Tolerance Statistic. VIF indicates whether a predictor has a strong linear relationship with other predictors which can raise concern. Problems occur if VIF is 10 and above (Meyers, 1990). At each level the predictor variables, the variance of the residual terms is expected to be constant, that is - homoscedasticity. If variances are unequal it is heteroscedasticity (Field, 1990). Tolerance statistic was computed as the reciprocal of the VIF ($1/VIF$). Tolerance statistics values below 0.1 indicate a serious problem while those below 0.2 indicate a potential problem.

Appendix 6 and 9 show the histogram for empirical data from non-financial performance and Revenue Growth respectively. Non-financial performance for this study comprised of employee satisfaction, customer satisfaction, and adherence to budget, research output (publications) performance perspectives. While financial performance was measured using revenue growth. A composite variable of non-financial performance was computed in SPSS and consequently, graphical representation of the frequency distribution of the data generated in form of histograms. The distribution of the sample data for non-financial performance was found to be normal.

Tests for normality of data were done. Q-Q plot was used for visual test of normality of data. If Q-Q plots lie close to the straight line, the data set are interpreted to mean normal distribution. However, if the points significantly depart from the straight line, the distribution is assumed to be non-normal. As shown in Appendix 7 the data lie approximately along the straight line indicating a normal distribution of the data.

3.11 Regression Models

Theoretical models are used in research to demonstrate functional relationships that exist among the variables. Specifically these models enable the researchers to statistically determine the contribution made by the controllable (independent) variable on the dependent variable.

Dependent variables: Performance - denoted by Y

Independent variables: Employee Empowerment - denoted by X_1 (EE)

Mediating variables: Job-Related Attitudes (composite index) –denoted by X_2 (JRA)

Moderating variables: Institutional Factors (composite index) –denoted by X_3 (IF)

Joint Effect Variables: employee empowerment, job related attitudes, institutional factors

β_0 = Constant Term

β = Beta Coefficient – Slope or change in Y, given 1 unit change in X_1

ϵ = Error Term

This study used Regression Analysis as follows:

Model 1

H1: Employee Empowerment influence on Performance of Public Universities in Kenya

Organization performance =f (Employee Empowerment)

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon_1$$

Where Y = performance

β_0 = Constant

X_1 = Employee Empowerment

β = Coefficient indicating influence of employee empowerment on performance (change in Y given one unit change in X_1)

ε_1 = Error Term

Model 2

H2: The influence of employee empowerment on performance of Public Universities in Kenya is mediated by Job-related attitudes

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon_2$$

Where Y = Dependent Variable (Organization Performance)

β_0 = Constant

X_1 = Independent Variable (Employee Empowerment)

X_2 = Mediating Variable (Job-related Attitudes)

ε_2 = Error Term

Model 3

H3: The influence of employee empowerment on performance of Public Universities in Kenya is moderated by institutional factors

$$Y = \beta_0 + \beta_1 X_1 + \beta_3 X_3 + \beta_3 X_1 X_3 + \varepsilon_3$$

Where Y = Dependent Variable (Organizational Performance)

β_0 = Constant

X_1 = Independent Variable (Employee Empowerment)

X_3 = Moderating Variable (Institutional Factors)

$X_1 X_3$ = Interaction Term

ε_3 = Error Term

Model 4

H4: The joint effect of the employee empowerment, job-related attitudes, and institutional factors is greater than the effects of each individual variable on organizational performance

Organization Performance = f (Employee Empowerment, Job-Related Attitudes and Institutional Factors)

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon_4$$

Where Y = Dependent Variable (Organizational Performance)

β_0 = Constant

X_1 = Independent Variable (Employee Empowerment)

X_2 = Job-related attitudes

X_3 = Moderating Variable (Institutional Factors)

ε_4 = Error Term

3.12 Test of Hypotheses

Table 3.2 shows a summary of the analytical models and interpretation of results. The study utilized both correlation and regression analysis to determine the relationship between employee empowerment, job-related attitudes, institutional factors and organizational performance.

Table 3.3 Summary of Proposed Research Objectives, Hypotheses and Analytical Methods

OBJECTIVE	HYPOTHESIS	ANALYTICAL MODEL	INTERPRETATION OF RESULTS
1.Establish the influence of employee empowerment on organizational performance	H1: Employee empowerment has influence on organizational performance	Simple linear regression analysis Performance=f (Employee empowerment)= $\alpha + \beta_{11} X_1 + \beta_{12} X_2 + \beta_{13} X_3 + \beta_{14} X_4 + \beta_{15} X_5 + \epsilon_1$ Where α =constant (intercept) Y= Performance $\beta_{11}, \dots, \beta_{15}$ Coefficient of H1 X_1, X_2, X_3, X_4, X_5 represents dimensions of empowerment X_1 = Decision Making, X_2 =Autonomy, X_3 Training & development, X_4 Access to Information, X_5 Support by Management, ϵ Error Term	R^2 -Coefficient of determination assess how much the dependent variable variation is due to its relationship with the independent variable <i>r=Correlation-to determine nature and strength among the variables Range ± 1, $r=0.7$ plus is a very strong positive relationship; $r= 0.5$ plus is a strong relationship; $r=0.3-0.49$ is moderate relationship; $r=.29$ or less is a weak relationship $r=0$ there is no relationship</i> F-statistics (Analysis of Variance shows whether the relationship is statistically significant) If P-value ≤ 0.05 , the relationship is significant T – test to determine individual significance of the relationship
2. Determine the effect of Job-related attitudes on the influence of employee empowerment on organizational performance	H2: The influence of employee empowerment on organizational performance is mediated by Job-related attitudes	Stepwise Regression Analysis- This will be done to test mediating effect of job-related attitudes on influence of employee empowerment and performance Performance=f (Employee empowerment + Job-related attitude) $Y = \alpha + \beta_{11} X_1 + \beta_{12} X_2 + \beta_{13} X_3 + \beta_{14} X_4 + \beta_{15} X_5 + \beta_{21} X_{11} + \beta_{22} X_{12} + \epsilon_2$ X_1, X_2, X_3, X_4, X_5 represents dimensions of empowerment and Where X_{11} = Job satisfaction X_{12} = Organization commitment (represents Job-Related Attitudes) ϵ =Error Term	Coefficient of determination(R^2) value will reveal the cause and effect of relationship between job-related attitudes and performance $R^2 = 1$ (perfect fit) $R^2 = 0$ (no variation) Range ± 1 R =correlation <i>$r=0.7$ plus is a very strong positive relationship; $r= 0.5$ plus is a strong relationship; $r=0.3-0.49$ is moderate relationship; $r=.29$ or less is a weak relationship $r=0$ there is no relationship</i> If P-value ≤ 0.05 , the relationship is significant

			F-statistics (Analysis of Variance shows whether the relationship is statistically significant) T – test to determine individual significance of the relationship
3.Determine the effect of institutional factors on the influence of employee empowerment on organizational performance	H3: The influence of employee empowerment on organizational performance is moderated by institutional factors	Stepwise Regression analysis Performance=f (Employee Empowerment + Institutional factors dimensions Where X_6 =strategy, X_7 =structure, X_8 =culture, X_9, X_{10} leadership types (transactional and transformational), ϵ Error Term $Y = \alpha + \beta_{31} X_6 + \beta_{32} X_7 + \beta_{33} X_8 + \beta_{34} X_9 + \beta_{35} X_{10} + \epsilon_3$ $\beta_{1, \dots, \beta_4}$ Coefficient of H3	R^2 to assess how much of the dependent variable's variable is due to the relationship with independent variable F-statistics (Analysis of Variance) to assess the robustness and overall significance of the regression model t- statistic assess significance of the individual variables
4.Establish the joint effect of employee empowerment, job-related attitudes, and institutional factors on organizational performance	H4: The joint effect of the employee empowerment, job-related attitudes, and institutional factors is greater than the separate effect of individual variables on organizational performance	Multivariate Regression Analysis Performance=f (Employee Empowerment+ Institutional factors + Job-related Attitudes) $Y = \alpha + \beta_1 EE + \beta_2 IF + \beta_3 JRA_3 + \epsilon_4$ α - constant β_{1-3} are beta Coefficient of H4 EE, IF, JRA represents dimensions of empowerment, institutional factors, and job-related Attitudes and ϵ – error term	Coefficient of determination (R^2) is expected to show percentage of variation in organizational performance as explained jointly by the dimensions of employee empowerment, institutional factors and job-related attitudes ie R^2 and R^2 change to assess how of the dependent variables variation is due to its relationship with the independent variable F-statistics (Analysis of Variance) to assess the robustness and overall significance of the regression model t- statistic assess significance of the individual variables

Source: Researcher 2014

3.13 Chapter Summary

This chapter has provided a general overview and described the research methodology adopted in the study. Specifically, the chapter has explained the research philosophy, and research design. Further the chapter addressed the population of the study, the sampling design, data collection methods, reliability and validity of the data instruments and the normality of the data and data analysis. The chapter outlined the operational definition and measurement of the study variables and the statistical data techniques used which consisted of descriptive statistics, correlation and regression analyses. The analytical models used for data analysis and hypotheses testing were also provided. The collected data was analyzed and presented in the next chapter.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS DISCUSSIONS

4.1 Introduction

In this chapter, the results of the research activities as defined in the methodology chapter are presented. The study set to determine the influence of institutional factors, job-related attitudes on the relationship between employee empowerment and organizational performance in Public Universities in Kenya. The study was based on the following objectives: employee empowerment influences organization performance; job-related attitude mediates the influence of employee empowerment on performance; institutional factors moderates the relationship between employee empowerment and performance; and the joint effect of employee empowerment, institutional factors, job related attitudes is greater than the effect of individual variables on performance.

The data collected for this study was analyzed and the findings are presented here. The key features of the research findings are descriptive statistics and the results of the tests of hypotheses and discussion of the findings. The analytical techniques used were Pearson's Product Moment and regression analysis (linear, stepwise and multiple regression)

The chapter is divided into sections which include the following: Section 4.1 highlights profile of respondents and organizations that participated in the survey to provide a broad indication of the context; Section 4.2 highlights the demographic profiles of respondents and their response, 4.3 highlights descriptive statistics on variables responses. Section 4.4 highlights hypotheses testing through simple linear, multiple and stepwise regression. Section 4.5 presents the discussion of the findings. Relevant data was collected using structured questionnaires that were divided according to thematic areas namely; employee empowerment, institutional factors, job-related attitudes and organization performance. Each of the themes was further divided into various sub themes namely: employee empowerment included: decision making, autonomy, training and development, access to information and management support; institutional factors included: strategy, structure, organization culture, leadership styles (transformational and

transactional) and job-related attitudes consisted of job satisfaction and organization commitment. The questionnaire contained quantitative and non-quantitative performance measures. The moderating variable was institutional factors while the mediating variable was job-related attitudes.

4.2 Survey Questionnaire Response Rate

The overall objective of this study was to determine the influence of institutional factors and job related attitudes on the relationship between employee empowerment and performance of public Universities in Kenya. This study targeted 22 chartered public universities in Kenya. The population of the 22 universities was approximately 25,345 a sample of 1,011 was drawn using stratified sampling technique. Out of 1,011 questionnaires a total of 722 questionnaires were returned. However six questionnaires were incomplete and were therefore not used in the analysis. The sample response rate was 72%. According to Fowler (1984) a response rate of 72% is representative. This was therefore considered representative sample for further analysis. This is a higher response than those of similar studies conducted by Shah et al (2012) in a Pakistani University who had a response rate of 56%. Omari (2012) who carried a study in public state corporations in Kenya had a response rate of 48%.

The use of the drop and pick method and in some case follow-up telephone calls and e-mails communication to the respondents improved the response rate (Kothari, 2009). This was supplemented by where possible personal visits to the respondents, letter of introduction from University of Nairobi and a Research permit and letter of authority to conduct research from the National council for Science and Technology. Some respondents did not complete the questionnaire for either lack of time or were simply reluctant to fill it. Confidentiality and anonymity was assured. These measures were taken as previous studies have shown that low response rates are experienced when questionnaires are mailed to respondents.

4.3 Descriptive Statistics

Descriptive statistics were presented using frequencies, percentages, means and standard deviations. The first part presents general information regarding the demographics of the

respondents and the organizations. This was to understand the type of respondent and their details. Means and standard deviation was calculated. Means is the most robust statistic for interval and ratio data while standard deviation was employed as the measure of dispersion. Standard deviation was chosen because of its stability (Cooper and Schindler, 2006). Respondents were asked to indicate the extent to which agree or disagree with statements describing the various variables. The items were measured using five point Likert-type scale ranging from 1=Not at all to 5=To a very great extent. Cronbach's Alpha coefficient was used to measure reliability. It ranges between 0 and 1 and the cutoff point was .7 (Nunnally, 1978)

4.3.1 Demographic Profiles of Respondents

The survey questionnaire was distributed to various categories of staff in public universities. The cadres surveyed comprised of academic staff, senior and middle level employees of public universities in Kenya.

4.3.2 Distribution of Respondents by Gender

The respondents were asked to indicate their genders. The purpose was to get perspectives from both sides of the device. Pertinent results are presented in Table 4.1

Table 4.1 Respondents by Gender

Gender	Frequency	Percent	Cumulative Percent
Female	278	40.3	40.3
Male	411	59.7	100.0
Total	689	100.0	

Source: Primary data (2014)

Table 4.1 above reveals that 59.7 % of the respondents were male, while 40.3% were female. This data reveal that there is good spread of gender in the universities and is they are Equal Opportunity employer. According to the official government policy in Kenya it requires that at least each gender in an organization should have a minimum of 30% representation; therefore this is consistent with the new Constitution of Kenya (2010). It shows the universities have adhered to this policy.

4.3.3 Category of Staff

The questionnaire was administered to both academic and non-academic staff. The non-academic staff comprised of senior and middle level staff. Approximately 57.6% of staff were in non-academics and 48.4% are in academics. This shows how vast the area of operation was covered. The output shows there is a good spread in the university which implies the output can authoritatively be considered to have addressed both academic and non-academic perspective. The results are presented in Table 4.2 below

Table 4.2 Category of Staff

Category	Frequency	Percent	Cumulative Percent
Non-Academics	343	51.7	51.7
Academics	282	42.5	94.1
Both	39	5.8	100.0
Total	664	100.0	

Source: Primary Data (2014)

Table 4.2 show that the bulk of staff in the universities are non-academic 51.7 per cent. 42.5 per cent of staff are in academics, while 5.9 per cent are in both academic and non-academic.

4.3.4 Distribution of Respondents by Age

The cadres surveyed comprised of staff in different age groups. Age was considered important for this would give indication of the age bracket of employees in the universities. Table 4.3 below shows the distribution of the respondents by age.

Table 4.3 Distribution of Respondents by Age Group

Age	Frequency	Percent	Cumulative Percent
Below 20 years	2	.3	.3
20-29 years	51	7.3	7.6
30-39 years	280	40.1	47.7
40-49 years	254	36.4	84.1
Over 50 years	111	15.9	100.0
Total	698	100.0	

Source: Primary Data (2014)

Table 4.3 above reveals that more than 15.9% of the respondents were over 50 years and more than 40.1% of the respondents are between the ages of 30-39 years category. The age group of 40-49 years represented 36.4%. 20-29 years comprised 7.3 % of the respondents. Below 20 years comprised of only 0.3 percent of the respondents. This reflects that majority of employees in the surveyed institutions are younger and active. This is the age at which most people seek for advancement and growth opportunities in their careers and are open to change in organizations. This is consistent with other scholars results (Monari, 2013, Kidombo, 2007).

4.3.5 Length of Service of the Respondents

The respondent's characteristics included the length of service in current position. The study set out to examine the respondent's length of service in their current position in the public universities. The target respondents for this study were academic staff, senior and middle level staff of the public universities. The distribution of respondent's length of service in the current position is presented in Table 4.4 below:

Table 4.4 Duration Worked in the University

Duration	Frequency	Percent	Cumulative Percent
Below 2 years	74	10.6	10.6
3-5 years	216	31.0	41.6
5-10 years	226	32.4	74.0
10-15 years	73	10.5	84.5
Over 15 years	108	15.5	100.0
Total	697	100.0	

Source: Primary Data (2014)

The survey results in Table 4.4 above reveal approximately 58.5% (32.4+10.6+15.5) of the respondents have been with the institution for over five years. The respondent's length of service can be associated with experience and knowledge acquired over time which leads to superior organization performance. It was also a measure of the ability to articulate issues and challenges in the organization. Employees who have worked for a period of time in an organization are deemed to have internalized and have understood the systems and processes in the institution. Length of service in an organization has implication on job satisfaction and organization commitment. Employees who have been

in the organization for long periods tend to be comfortable with the practices and leadership of the organization. They have attachment and are loyal to the organization with no intention to leave soon. This is an indicator of employee commitment and job satisfaction (Rush, 2007)

4.3.6 Level of Education

The study also sought to establish the highest level of education attained by the respondents as an indicator of their knowledge capability. The highest level of education attained and prior experience have been recognized as critical success factors in carrying out work in the institutions of higher learning. According to Hirsch et al., (1997), a positive relationship exists between high education levels and organization performance. The relevant data are presented in Table 4.5

Table 4.5 Highest Level of Education

Highest Level of Education	Frequency	Percent	Cumulative Percent
Diploma	87	12.6	12.6
Degree	234	33.9	46.5
Masters degree	286	41.5	88.0
Doctorate	83	12.0	100.0
Total	690	100.0	

Source: Research Data (2014)

Table 4.5 reveals that the respondents had a relatively high level qualification with 33.9% and 41.4% holding degrees and masters' degree certificates respectively. This implies that the respondents have the relevant knowledge in their areas of operation within the institution. The level of education has been cited as a critical factor in helping institutions to survive and manage in difficult and turbulent conditions and to improve performance. It also reveals that the institutions are staffed by knowledgeable people. The results are consistent with developing countries workforce. Workforce in developing countries tends to be fairly educated despite the environment they operate in.

4.3.7 Employment Status

Respondents were asked to indicate their employment status in the universities. They were to indicate whether they were permanent, contract or other. Table 4.6 presents the findings.

Table 4.6 Current Employment Status

Employment Status	Frequency	Percent	Cumulative Percent
Contract	169	24.4	24.4
Permanent	525	75.6	100.0
Total	694	100.0	

Source: Primary Data (2014)

Table 4.6 reveals that 75% of the respondents are employed on permanent terms; while 24.4% of staff members are on contractual terms. The findings reveal that most of the staff in universities have long-term employment relationship which enhances employee satisfaction and commitment. This relationship impacts significantly on organizational performance. Further, due to the length of service and status, staffs in the universities are deemed to be knowledgeable about their jobs, and they understand the systems and procedures in their organizations hence perform better. This is typical public sector practice, where it is perceived that once employed it's until one retires.

4.3.8 Demographics Profile of Organization

The organization profile presents the characteristics of the universities who participated in the study. The key factors of interest for the study were the age of the organization measured in terms of the number of years the university has been in operation. The study sought to find out the age; the size of the university measured by the number of students enrolled in that university. The age of the organization can increase its efficiency in that the organization can discover what it is good at and specialize. The age of the institution was measured by the number of years it has been in operation. Table 4.7 below presents the results on the age of the universities.

Table 4.7 Number of Years the University has been in Existence

Years of Existence	Frequency	Percent	Cumulative Percent
Less than 5 years	160	24.4	24.4
6-10 years	65	9.9	34.3
11-15 years	34	5.2	39.5
16-20 years	25	3.8	43.3
Over 20 years	372	56.7	100.0
Total	656	100.0	

Source: Primary Data (2014)

The results in Table 4.7 show that nearly half 56.7% of the public universities have been in existence for over 20 years and that 24.4% have been in operation for less than five years. The results show that majority of the universities in Kenya are over 20 years and well established. The number of years the institution has been existence shows that they are well established and the systems are established for they have had time to grow and address challenges. Further the policies, procedures and practices are well in place. Older institutions had experience curve benefits which could enable them achieve competitive advantage. Twenty four percent (24.4%) of the institutions survey are new. They were recently chartered, this have an impact on their structures and leadership styles.

The question required respondents to indicate if they knew the number of students enrolled in their university by ticking the appropriate approximate number. The research findings are presented below in Table 4.8 and Table 4.9

Table 4.8 Response on Knowledge of Number of Students Enrolled in University

	Frequency	Percent	Cumulative Percent
No	93	13.4	13.4
Yes	601	86.4	99.8
2	2	0.2	100.0
Total	696	100.0	

Source: Primary Data (2014)

Table 4.8 above reveals that 86.4% of the respondents had knowledge of approximately how many students are in their respective universities and only 13.4% did not know. The general feeling is that the organization shares information with the employees. Others get

the data from the universities website. This is a positive sign that there is access to information in the universities especially at departmental levels.

Table 4.9 below shows the approximate numbers of student enrolled currently in the public universities. 43% of universities have enrolled over 20,000 students, while 19.9% of the public universities had less than 5,000 students. The older universities had more students enrolled than the newly established universities. This disparity can be attributed to the fact that some of the universities were constituent colleges of the older seven universities namely: University of Nairobi, Kenyatta University, Jomo Kenyatta University College of Agriculture and Technology, Egerton University, Moi University, Maseno University and Masinde Muliro University. However these constituent colleges have since been elevated to fully fledged universities and awarded Charter in 2013, as such they are still growing. The “older” universities on the other hand are well known and are well positioned in the marketplace hence more students are attracted to these institutions. Further some of the universities are attracting more students due the variety of programs and flexibility they offer to prospective customers.

Table 4.9 Number of Students in the University

Students Enrollment	Frequency	Percent	Cumulative Percent
Less than 5000	120	19.9	19.9
6000-10000	132	21.9	41.9
11001-15000	50	8.3	50.2
16000-20000	38	6.3	56.5
Over 20000	262	43.6	100.0
Total	602	100.0	

Source: Primary Data (2014)

4.3.9 Reliability and Validity

The study sought to establish the reliability of each study variable. Cronbach’s Alpha Coefficient was used to test reliability of the instrument. The pertinent results are summarized in Table 4.10 below.

Table 4.10 Cronbach's Alpha Coefficient

Variable	Measure	No. of Items	Cronbach's Alpha Coefficient (α)
Employee Empowerment	Decision Making Autonomy Access to Information Training and Development Management Support	39	.939
Institutional Factors	Strategy Structure Culture Leadership Style	59	.950
Job Related Attitude	Job Satisfaction Organization Commitment	19	.925
Organizational Performance	Research grants and Publications Revenue Growth Customer Satisfaction Employee Satisfaction Adherence to Budget	9	.919

Source: Primary Data (2014)

The results in Table 4.10 suggest that organizational performance had Cronbach's Alpha coefficient of .919 while institutional factors had the highest of .950. Employee empowerment scored .939 while Job-related attitudes scored .925. Different scholars have used different Cronbach's Alpha Coefficient factors cut-off points (Nunnally 1978; Hair et al., 1998). The reliability results exceeded the 0.7 level of acceptability revealing a very high degree of reliability. Since the reliability results exceeds 0.7 lower level of acceptability (Sekaran, 1992; Hair et al, 1998), internal consistency reliability measures used were considered high and to have adequately measured the study's variables and were therefore considered for further analysis. Validity was tested through carrying out a pilot study. The instrument was then modified in the form of structure and results incorporated in the final instrument.

4.4 Means and Standard Deviations for Measures of Employee Empowerment

Variables

The study explored the means and standard deviations of various variables considered in the study which included independent variable of employee empowerment, moderating variable of institutional factors mediating variable of job-related attitudes. The dependent variable was organizational performance which had financial and non-financial measures.

The study set out to establish the degree of Employee Empowerment amongst universities in Kenya. The research adopted and modified Kanter (1983) and Spreitzer (1995) scale of Structural and Psychological empowerment. Employee empowerment was conceptualized using both Kanter (1977 and Spreitzer (1995) dimensions of; decision making, autonomy, training and development, access to information and management support.

The respondents had been asked to indicate the extent to which their institutions focused on the defined dimensions of employee empowerment which include: involvement in decision making, autonomy, training and development, access to information and management support. Different sets of questions anchored on five point Likert-type scale ranging from 1=Not at all to 5=To a great extent were used to measure the five sub-constructs. The employee empowerment theory suggests that the constructs are of equal importance and were therefore measured as a one dimension construct. The universities aggregate score of employee empowerment was computed as the simple average of the mean score of the five dimensions. Standard Deviation (SD) was computed. SD is a measure of variations from the mean. A small SD implies that most of the sample means will be near the centre (mean) and a good estimator of the population mean. On the other hand a large SD illustrates that the given sample mean will be a poor estimator of the population mean for the data points are spread out over a large range of values (Harper, 2000).

4.4.1 Decision Making

Involvement in decision making was to measure the degree to which the employees influence decisions in their respective departments and the university as whole. Decision making was assessed by asking the respondents to indicate the extent to which their institutions involved them in decision making statement. To measure decision making, a set of six items were used. The pertinent results are presented in the table 4.10 below:

Table 4.11 Means and Standard Deviations for Measures of Decision Making

Items	N	Mean	Standard Deviation
Employees have influence over what happens in their dept/work	684	3.09	1.060
Employees significantly participate in deciding what happens in their dept/work	681	2.95	1.056
Employees are involved in strategic planning	685	2.82	1.171
Employees are consulted on planning and procedure issues	693	2.81	1.156
Employees opinion is sought before making changes in the department	689	2.78	1.222
Management seeks staff opinion on major appointments	692	2.58	1.211
Aggregate		3.442	

Source: Primary Data (2014)

The results in Table 4.11 reveal that mean score for the five statements used to measure involvement in decision making was 3.442. The overall mean score of 3.442 (moderate extent) shows that the universities have a general agreement and sufficient understanding of their involvement in decision making in the university. At departmental level employees are moderately involved. However moderate results could also imply that the employees are not really sure whether their input is considered. This reveals that employees have influence at departmental level to a certain extent, but university wise their input might not be significant.

Employees' involvement in decision making is expected to enable the right atmosphere for employee empowerment, which is supposed to translate into superior performance. In addition the results show that the organizations surveyed understand the importance of involving the staff in the process of decision making. The staff are the ones involved in implementing the decisions and most of the strategies which affect their respective departments (mean score=3.442, SD=1.060). The item on management seeking staff opinion in major appointments recorded the lowest mean score (mean=2.58, SD=1.211). The results imply that the organizations surveyed are conscious and care for the employees. On the other hand it could imply that employee opinion at higher levels is not considered. Further, despite staff having influence on decision making at departmental

level, employees feel they are not involved in overall university decision making and planning. They feel they have little control in change of department or on appointments.

4.4.2 Autonomy

The respondents had been asked to indicate the extent to which their institutions give them autonomy to carry out their work. Autonomy was measured using six items anchored on a five point Likert type Scale ranging from 1=Not at all to 5=To a great extent were used to measure the six sub-constructs. The respondents were required to rate the statements about autonomy. The pertinent results are presented in the Table 4.12

Table 4.12 Means and Standard Deviation for Measures of Autonomy

Items	N	Mean	Standard Deviation
Staff have opportunity on self-rated performance appraisal	687	2.95	1.184
Staff have significant authority determining how to perform their work	683	2.94	1.026
Staff determine the procedures to be used to carry out their work	682	2.92	1.062
Staff can take independent action	687	2.80	1.082
The university incorporates employee recommendations	687	2.80	1.009
Staff can arrange, plan and design their own job content	684	2.79	1.078
Total Aggregate		2.867	

Source: Research Data (2014)

Table 4.12 findings reveal that mean score for the six statements used to measure autonomy was 2.867. The aggregate mean score of 2.86 (to a small extent) shows that employees have little autonomy and there is a lot of control. The highest mean (mean =2.95, SD=1.184) was on self-appraisal. In terms of planning and decision making there is no autonomy, but in terms of independence of work at departmental level there is autonomy to some extent. Staff can also make independent decisions concerning their individual work (mean=2.80, SD=1.082). The findings results reveal that employees can only make independent decisions in certain areas and not others. The academic staff for example, have autonomy in the classroom.

4.4.3 Training and Development

The questions in this section were meant to find out the extent to which training and development are provided to employees and whether the employees choose the programs best suited to their interest. The respondents had been asked to indicate the extent to which their institutions gave them opportunity to participate in training and development programs. To measure training and development, a set of nine items were used. The pertinent results are presented in the table 4.13

Table 4.13 Means and Standard Deviation for Measures of Training and Development

Items	N	Mean	Standard Deviation
Staff training program is part of strategic plan	686	3.39	1.098
Staff training is an on-going activity	688	3.21	1.097
Employees are highly trained and can handle diverse activities	684	3.21	1.013
Employee development is linked to both individual and organizational needs	688	3.11	1.047
The organization has instituted career development strategies	689	3.03	1.086
There are clear paths/opportunities for career growth	674	3.02	1.104
Training and development enables staff to move easily from one grade to another	692	2.98	1.151
Employees have a choice on the type of training and development programs	692	2.84	1.133
Staff opinion is sought when nominating people to be awarded scholarship	692	2.45	1.167
Total –Aggregate		3.0267	

Source: Primary Data (2014)

The findings of Table 4.13 above reveal that participation in the training programs is moderate in the first six items. In terms of training and development the respondents seem to agree that it is part of the organization strategic plan. The training and development plan extends through all levels in the university. There was a general feeling that the training programs offered by the institutions are relevant (mean=3.027). This attitude could probably be attributed to sponsorship given by the universities for further studies and research. Further it could be attributed to the kind of training the staff receive

in the university. Management development is linked to both individual and organizational needs. Most of the staff joining the universities will have acquired the relevant qualifications prior to joining the university. Meeting employee training needs is one of the critical success factors of capacity building in the organization. Skilled employees are motivated and enhance performance. From the standard deviation there is variation in the responses where one group rating is higher and the other lower. This could probably be explained by the fact some universities are have been established for long a period while others were recently chartered hence have not strengthened the staff development programs. It is assumed that older universities have training and development policies established over time, while the new institutions are still grappling with putting structures in place and their training budget low. Overall results reveal that the universities are concerned with staff training and development.

4.4.4 Access to Information

The respondents had been asked to indicate the extent of flow of information. To measure access to information a set of nine items were used. The pertinent results are presented in the table 4.14 below:

Table 4.14 Means and Standard Deviation Measures for Access to Information

Items	N	Mean	Standard Deviation
There are clear lines of communication	694	3.27	1.015
Information is easily available	694	3.16	1.036
Employees understand the top management's vision clearly	686	3.11	1.098
Information is easily shared between departments	684	3.05	.988
Feedback is easily given to and from management	687	3.04	1.045
There is multiple, free and open communication	688	3.03	1.050
Introduces changes without involving employees	687	2.98	1.162
The organization withholds information from employees	687	2.78	1.114
Organization acts as if it does not trust employees	689	2.71	1.173
Total Aggregate		3.014	

Source: Primary Data

Table 4.14 results reveal the aggregate mean score was 3.014. The overall mean score of 3.014 (moderate) shows that by and large the members feel that there is some flow of

information in the organization although the responses are varied. Information feedback process seems adequate with a mean=3.04, SD 1.045. This is expected to help them make informed decisions in their work.

There is also some kind of trust relationship between the employees and management (mean=2.71, SD=1.173). The employee-manager relationship is one of the primary components to a strong organization structure and culture. Employees rely on their managers for career development and guidance. When the sense of trust is strong between an employee and manager it adds to efficiency and increase in productivity. This is facilitated by dual flow of information between the manager and employee. Item on feedback is easily given by management it had a mean=3.04, SD=1.045 which implies some are sure they get feed while others are not. The response is varied evidence by SD=1.045.

4.4.5 Management Support

Management support refers to utilization and sharing of resources within the organization. Management support was assessed by asking the respondents to indicate the extent there is management support. To measure management support a set of nine items were used. The pertinent results are presented in the table 4.15 below.

Table 4.15 Means and Standard Deviation Measures for Management Support

Items	N	Mean	Standard Deviation
Management is happy when employees do their work well	691	3.35	1.125
There is emphasize on empowerment and growth	687	2.92	1.050
Organization helps when staff have a problem	683	2.91	1.022
The organization really cares about staff well being	686	2.89	1.019
The university supports staff initiatives and projects	691	2.88	1.047
Staff can easily talk to management	693	2.86	1.058
Resources are distributed equitably	690	2.79	1.100
Employees are rewarded for work well done	690	2.74	1.138
The organization shows little concern on employees' work and well being	685	2.69	1.096
Aggregate		2.892	

Source: Primary Data (2014)

Table 4.15 above results reveal that mean score used to measure management support was 2.892. The overall mean score of 2.89 shows that the general feeling is that there is some element of management support. The score on the ‘element that management acknowledges when work is done well’, had the highest mean =3.35, SD=1.125 while item on ‘employees are not rewarded for the same’ had mean=2.74, SD=1.138. Management support in an organization is essential for lack of it leads to poor management practices and negative working conditions which affect performance. Studies (Armstrong et. al., 2006; Laschinger et al., 1997) reveal that quality of service is directly affected by the degree of support given to staff by management. Employees who perceive they have management support are more satisfied and committed to the organization. Management support is concerned with rendering support for the accomplishment of tasks or for innovative and risk-taking activities without delay.

Given the unidimensionality of the five components of employee empowerment, the scores were computed using simple aggregate of the scores from the five responses. Table 4.15 below presents a summary of employee employment as revealed by the study.

Table 4.16 Summary of Means of Employee Empowerment

	Item	Mean Score
16.1	Decision Making	3.442
16.2	Training and Development	3.026
16.3	Access to Information	3.014
16.4	Management support	2.892
16.5	Autonomy	2.867
	Aggregate	3.048

The results in Table 4.16 show that the overall mean score of employee empowerment is 3.048. Decision making had the highest mean score of 3.442 followed by training and development which had 3.026. The lowest overall mean score recorded was autonomy with a mean score of 2.867. The results are consisted with the previous studies which had concluded that employee empowerment is an effective tool for measuring performance (Menon, 2001)

4.4.6 Means and Standard Deviations for Measures of Institutional Factors

Institutional factors have been theorized in literature to be potentially important determinants of performance in an organization. Institutional factors are the process by which structures, schema, rules, norms, and routines become established as guidelines for social behavior (Scott, 2004). They are processes which influence how people react to situations and are influenced by the environment they operate in. For organizations to survive they must conform to the rules and belief systems prevailing in the environment (DiMaggio and Powell, 1983; Meyer and Rowan, 1977), because institutional isomorphism, both structural and procedural, will earn the organization legitimacy. Institutional factors as relates to this study comprised of strategy, structure, and organization culture and leadership styles. These are key attributes that were theorized as moderating the influence of employee empowerment on organizational performance.

These variables were measured using 59 items across the four moderating variables namely: strategy, structure, culture and leadership types (transactional and transformational). A five point Likert type Scale was used to measure the variables where 1=Not at all and 5= To a great extent. The objective was to measure the extent to which institutional factors hinder or enhance employee empowerment in institutions of higher learning. The selection of the measurement items was informed by both theoretical considerations found in the literature. The items on the scale were worded positively while others were reversed to minimize tendency by respondents to absentmindedly just tick the points.

4.4.7 Organization Strategy

Johnson and Scholes (2006) defined strategy as the direction and scope of an organization over a long term; which achieves advantage for the organization within a challenging environment. A strategy has been defined to include both goals and means of achieving them; it is a conscious and purposeful plan to move from one point to another in achievement of organizational goals. Porter (1996) contends that strategy is the creation of a unique and valuable position involving a different set of activities. Strategy addresses where the organization is heading to in the long-term and what resources will be required to take the institutions there. Strategy is pervasive at all levels of the organization and the universities have to involve their employees in the strategy

formulation and implementation process to reap the full benefits. Strategy is to do with the matching of the activities of an organization to the environment in which it operates.

The study sought to find out if employees in the universities were engaged in the process of strategic planning and whether there was clear direction and shared vision in the universities. The results for measurement of strategy are shown below in Table 4.17

Table 4.17 Means and Standard Deviation Measures for Organization Strategy

Items	N	Mean	Standard Deviation
There is clear direction and vision	690	3.51	1.079
Innovation and creativity is highly encouraged	686	3.39	1.130
The university is consistent in its strategic choices	687	3.35	1.040
Our organization is cost conscious	685	3.34	1.112
The university adheres to the strategic plan	685	3.30	1.053
There is a shared vision in the university	687	3.27	1.094
The university adopts new technologies	686	3.26	1.074
Our university is sensitive to the changing environment	683	3.20	1.091
Our organization identifies and exploits new opportunities	684	3.19	1.092
We always observe changes in the environment	684	3.15	1.287
Aggregate		3.662	

Source: Primary Data (2014)

From Table 4.17 results strategy had an aggregate mean score of 3.662. The overall mean score of 3.662 (moderate) reveals that the organization is sensitive to the environment they operate in. There is a clear vision and direction which had a mean= 3.51, SD=1.079. Innovation and creativity is highly encouraged in the public universities in Kenya. This is evidenced by a mean=3.39, SD=1.130. This reveals that since the institutions operate in turbulent environment, meeting the requirements of markets demands is critical if the organization is to survive. Strategic decisions often have major resources implication for an organization. Employees need to be involved in the strategic thinking of the organization. For strategy to be successful employees must own it for they will be involved implementing the strategy. As such it is important to involve the staff right from strategy formulation stage then to implementation and evaluation. Strategic decisions are concerned with the scope of the organizations' activities which affect the employees. As the public universities identifies and exploits new opportunities they must carry their staff along.

4.4.8 Organization Structure

Structure is hierarchical arrangements of the lines of authority; for they determine the roles and flow of information through the different levels in the organization. Structures in an organization can hinder or enhance success. The design and framework of structure define the pattern of the organization. The organizations decision making processes are affected by how fast they can be made. The design can be formal or informal. The study adopted a mixed approach in definition of structure.

This study sought to determine the universities organization structure based on the framework of either being centralized or decentralized. The respondents were asked to state to what extent their universities are centralized or decentralized. The questions on structure were meant to check whether the universities had a centralized structure (authority and decision making concentrated at the top), or was decentralized (degree of autonomy). Respondents were asked to indicate their perception of organization structure using a five point Likert type scale. The findings from the questionnaire responses are summarized in Table 4.18 below

Table 4.18 Means and Standard Deviation Measures for Organization Structure

Items	N	Mean	Standard Deviation
Power is centralized at the top	687	4.05	2.958
Decisions are made at the top	677	4.01	1.019
Organization rules and procedures are carefully defined	681	3.63	.986
Communication and control proceeds through hierarchical routes	685	3.62	.986
Jobs are standardized and formalized	687	3.51	1.118
Workers in the organization are granted discretion	675	3.30	1.009
There is emphasize on completion of tasks than achievement of goals	672	3.23	1.053
Teamwork is encouraged	689	3.20	1.158
Leaders are considered as mentors and coaches	680	3.04	1.131
There is low differentiation of tasks	673	3.04	1.056
Organization's structure is quite simple	684	2.75	1.385
Employees are involved in decision making	678	2.66	1.073
Organization is highly decentralized	685	2.42	1.161
Power and decision making are decentralized	686	2.38	1.131
Organization's structure is informal	680	2.23	1.127
Aggregated		3.138	

Source: Primary Data (2014)

The results in Table 4.18 above results reveal that mean score used to measure structure was 3.138. The overall mean score of 3.138 (moderate) shows that the general feeling is that the organization structure is moderately centralized. The organizations' ability to make decisions faster without a lot of bureaucracy enhances the delivery of service. The findings also revealed that power is concentrated at the top (mean=4.05, SD=2.998). This could be interpreted that most strategic decisions affecting the organization are made by top management. The SD of 2.998 indicates as much as the respondents felt that power is concentrated at top some respondents were of divergent view. There was no close agreement and some were indifferent. Further the respondents felt that the organization structure is not simple, this was indicated by a mean=2.75. Decentralization of power was mostly in the department/units with mean=2.38, SD=1.161. Similarly, respondents least ranked the item on organization structure being informal (mean=2.27, SD=1.127). A Standard Deviation of greater than 1 shows the respondents views were varied.

4.4.9 Organization Culture

Organization culture is the shared values, beliefs and norms that impact on the behavior of employees. Respondents were asked to indicate their perception of organization culture. Culture was viewed from the level of participation and non-participation culture. In non-participative culture the survey questionnaire sought to establish the extent to which organizations jobs are perceived as highly standardized and formalized, with clearly defined rules, procedures and work process that must be followed; where hierarchy and order is emphasized; heads perceive themselves as powerful and make all the decisions; and emphasize on cost control. Efficiency and stability were the long term goals and management focus on following procedures laid down. Pertinent results are depicted in Table 19a

Table 4.19 (a) Means and Standard Deviation for Measures of Non-Participative Organization Culture

Items	N	Mean	Standard Deviation
All decisions are made by the top management	674	3.73	1.067
Hierarchy is emphasized in our organization	674	3.62	1.059
Jobs are highly standardized and rules and procedures have to be followed	689	3.57	1.050
My organization put a lot of emphasize on cost control	682	3.55	1.035
Heads like seeing themselves as powerful	685	3.48	1.257
There is close supervision	693	3.32	1.017
The organization culture is less supportive	681	3.23	1.183
Tasks are not delegated	685	2.94	1.196
Aggregate		2.983	

Source: Primary Data (2014)

The findings in Table 4.19(a) reveal that the culture in these institutions is moderately non-participative with mean=3.73, SD=1.067. However the opinions were varied as indicated by SD of 1.067. Most of the decisions are made by top management (mean=3.73). Function of delegation is low (mean=2.94, SD=) which to a small extent tasks are not delegated. Item on heads like seeing themselves powerful had mean=3.48, SD=1.257. Opinion was also varied with some neither here nor there. The results in Table 4.19(a) reveal that the structures in some of the organizations surveyed are highly centralized hence any suggestions or ideas have to pass through the formal hierarchical channels. This implies there can be some delay in decision making and it is not participative.

Participative culture sought to determine the extent to which organizations were perceived to provide open, safe, friendly and involving working environment; where teamwork is emphasized, creativity, innovation and where heads were mentors and coaches. Management focus here is participation and consensus is encouraged and the long term emphasize is employee empowerment. Results for participative culture are indicated in Table 4.19(b) below.

Table 4.19 (b) Means and Standard Deviation Measures for Participative Organization Culture

Items	N	Mean	Standard Deviation
Organization puts emphasis on teamwork and participation	686	3.18	1.382
Creativity and innovation is encouraged	688	3.17	1.307
Ethical practices and good corporate citizenship is emphasized	688	3.15	1.076
Loyalty in our organization is strong	682	2.97	1.104
Work environment is friendly and motivates participation	688	2.95	1.036
Focuses on internal integration and unity, and value stability, order and control	689	2.92	1.016
Employees have impact in their work units through involvement in strategic plans and governance	689	2.90	1.067
The leaders are mentors and coaches	687	2.88	1.078
There is equity and fairness	680	2.77	1.104
Aggregate		2.988	

Source: Primary Data (2014)

Table 4.19(b) findings show that there is emphasize on working in teams with a mean of 3.18, SD=1.382. Team work is an indicator that the organizations surveyed encourage employee involvement and participation. Level of participation is also an indicator that employees can articulate issues without intimidation. This implies that the universities utilize team synergy for achievement of results. The statement ‘loyalty in organization is strong, scored mean=2.97, SD=1.104, while ‘work environment is friendly, scored mean=2.95, SD1.016. The perceptions of respondents on the two items were varied work environment is conducive to a small extend. This implies working in these institutions is encouraging and there is understanding and cooperation among the staff.

4.4.10 Leadership Styles

Leadership is about inspiring or influencing others. Effective leadership enables the organization to achieve its objectives. Employees want to feel the organization cares by allowing them greater participation and engaging them (Yukl, 2006). Leadership enhances greater participation and influences both individual and the organization. Leadership was measured using 17 (modified) items based on two leadership styles

previously used by Yukl (2006), Lock and Crawford (2004). Leadership which was part of the moderating variable had 17 items, which formed a continuum that ranges from Transactional to transformational leadership. From the literature review the leadership styles adopted in any organization cannot be exclusively transaction or transformational. The practices can only be said to lean more towards either transactional or transformational leadership style.

Transactional leadership consisted of seven items while transformational leadership had ten items. Cronbach's Alpha for Transactional leadership was **.792** while transformational leadership had **.918**. This implies high consistency among the measures. In measuring the organization leadership variable a five point continuum Likert type scale was used, where 1=Not at all and 5=to a very great extent. The mid-point for the scale was 3.

4.4.10.1 Transactional Leadership

Transactional leadership centers on the role of supervision and organization performance; and reward and punishment are contingent upon the performance of followers. It pursues a cost benefit economic exchange to meet workers needs in exchange of services. The leader promotes compliance of their followers on established routines and procedures and more concerned to following existing cultures and structures in the organization. Item 25 asked respondents to indicate extent to which transactional leadership style is practiced in the organization. Below are the findings in Table 4.20

Table 4.20 Means and Standard Deviation Measures for Transactional Leadership

Items	N	Mean	Standard Deviation
We work by rules and policies of the organization	689	3.44	1.024
Each employees role is clear	691	3.23	1.055
Tasks are fully clarified	690	3.14	.960
My leader negotiates and allocates resources accordingly	693	3.05	1.071
Supervisors suggest to employee how to execute tasks	690	3.03	.982
We get regular feedback about our work	692	2.79	1.051
Our plans are short-term	685	2.64	1.062
Aggregate		3.045	

Source: Primary Data (2014)

The results in Table 4.20 reveal an aggregate mean of 3.045 was obtained in transactional leadership. This shows that majority of managers in the organizations surveyed practice transactional leadership. This is where employees have to strictly adhere to the rules and procedures and follow existing organization structures in exchange they are rewarded for their efforts. The universities have clear policies and procedures on how to carry out various activities in the organization. Item on ‘working by rules and procedures’ scored mean=3.14, SD=.960. This implies respondents have a general agreement that tasks are clarified and they work by rules and policies. The item on, supervisors spend time with the employees guiding them, scored (mean=3.03, SD=.982), and on whether the leader negotiates and allocates resources accordingly scored mean=3.05, SD=1.071. ‘Plans are short-term’ had the lowest mean of 2.64, SD=1.062.

4.4.10.2 Transformational Leadership

Transformational leadership centers on people oriented style where it emphasizes teamwork, participation and collaboration with employees at different levels of the organizations. Transformational leaders engage with their employees in order to buy in. They inspire and motivate their followers. Respondents were asked to indicate extent to which transformational leadership style is practiced in the organization. The findings are presented in Table 4.21

Table 4.21 Means and Standard Deviation Measures for Transformational Leadership

Items	N	Mean	Standard Deviation
Organization encourages teamwork	688	3.28	1.107
Creativity and innovation is encouraged	694	3.19	1.121
My immediate supervisor has clear vision and mission	694	3.18	1.079
Our leader is a mentor, coach and goal oriented	693	3.11	1.138
My leader has a strong influence and a sense of mission	694	3.02	1.092
Delegation of jobs is done regularly	696	3.02	.993
Staff present ideas and can question issues affecting them	692	2.88	1.063
The university uses frequent feedback to modify behavior	693	2.88	1.006
Management style is inspirational	692	2.87	1.135
Our leader considers individuals interest	697	2.67	1.125
Aggregate		3.344	

Source: Primary Data (2014)

Table 4.21 results reveal that an aggregate mean of 3.344 was obtained. There is a general agreement among the respondents that there is an element of transformational leadership. This is indicated by item on ‘encouragement to work in teams’ (mean=3.28, SD=1.107), and ‘creativity and innovation’ with a (mean=3.19, SD=1.121). Item on ‘delegation of jobs is done regularly scored (mean=3.02, SD=.993). This implies that there is a general agreement that actually the leaders do delegate tasks in the universities. Leaders that practice transformational leadership style tend to be people oriented. They set goals and encourage participation to achieve organizational objectives and high performance; at the same time providing opportunities for growth and development which leads to employee motivation.

The overall results of leadership imply that most respondents felt that the organizational leadership was slightly oriented towards transformational than transactional, mean=3.344, mean= 3.045 respectively; at the same time some of the respondents were not really sure where they can place their organization leadership style hence moderate results.

4.4.11 Summary of Means for Institutional Factors

Below are mean scores for institutional factors, Table 4.22

Table 4.22 Summary of the Means of Institutional Factors

Question Number	Item	Mean Score
22	Strategy	3.662
23	Structure	3.138
24	Culture (2.983+2.988)	2.985
25	Leadership-Transactional	3.045
26	Leadership-Transformational	3.344
	Aggregate	3.234

4.4.12 Job-Related Attitudes

Job-Related Attitudes (JRA) centers on employees feelings about their jobs. Attitudes are important component of human resource because they affect employee behavior. Theoretical understanding and empirical findings suggest that job-related attitudes are evaluative tendencies towards aspects of work that are based on feelings. They are cognitive and affective aspects. Job-related attitudes were measured by two factors namely job satisfaction and organizational commitment.

Job-related attitudes were measured using 19 items developed from job satisfaction and organization commitment. A five point Likert type scale was used to measure the variables: 1 representing =Not at all and 5=To a great extent. The objective was to measure employee attitude towards their work. Of the nineteen items, nine were for job satisfaction and ten for organization commitment. Job Satisfaction had Cronbach's Alpha of .874, while organizational commitment .881. To confirm pattern of scores a ranking of the mean score was done.

4.4.13 Job Satisfaction

Job Satisfaction was assessed using nine items covering different aspects of the job. The respondents were asked to rate their satisfaction at work. The questions were designed to measure employee satisfaction with their jobs. Satisfaction was measured on a five point Likert type scale. High scores were associated with high satisfaction and vice versa. The results of the findings are in Table 4.23

The results of Table 4.23 show the aggregate mean of 2.976 was obtained for nine items. This means that the respondents are neither satisfied nor dissatisfied with their work. The item on "jobs having great impact on the success of the university" had the highest mean score of 3.30 and SD =1.028. A mean of 3.30 means there is a general agreement that actually their jobs contribute to enhanced performance of the university. This result is confirmed by employees perceiving that their jobs to be highly meaningful which had a mean=3.23, SD=.985.

Table 4.23 Means and Standard Deviation Measures for Job Satisfaction

Items	N	Mean	Standard Deviation
Jobs have great impact on the success of the university	692	3.30	1.028
Employees perceive their job to be highly meaningful	690	3.23	.985
Very few accidents occur	692	3.14	1.034
Employees job gives staff a sense of accomplishment	692	3.02	.939
Relationship between employees and supervisors is great	689	2.96	.981
Opportunity for advancement is very good	692	2.93	1.072
Methods used to resolve conflicts are adequate	690	2.88	.995
Level of motivation is high	694	2.72	1.082
Grievances are minimal	691	2.67	.990
Aggregate		2.98	

Source: Primary Data (2014)

On the relationship between employees and supervisor the mean= 2.96, SD=.98 which implies that the respondents were satisfied with the relationship between them and the supervisors to a small extent. On the item of “methods used to solve conflicts” there was a general agreement the methods the universities employ to solve conflicts is adequate (mean=2.88, SD=.995). Levels of motivation scored mean=2.72, SD=1.082, the respondents perception was varied although there some level of motivation to a small extent. The item on “the grievances being minimal” there was a general agreement among the respondents with a mean=2.67, and SD=.990, this had the least score. This implies that the respondents’ ‘believe the grievances are not handled well’ or they are not given an ‘ear’ by the management when they raise a concern.

The respondents were asked to rate on their satisfaction on opportunities for advancement, the mean=2.93, SD=1.072. This implies the feelings were to a less extent although some were extreme. The results show that some respondents were not really sure whether they are satisfied with their jobs. Some respondents perceived that job satisfaction in the university is low. The results imply that as much as some staff members are satisfied with their jobs, there are some elements within the university who

are completely dissatisfied with their jobs. As such a further survey could be carried out to ascertain the exact cause of dissatisfaction in public universities.

4.4.14 Organizational Commitment

Organization commitment centers on the individuals attachment to the organization and intentions to leave or stay. This concept has attracted considerable interest in an attempt to understand why an employee chooses to remain in an organization and be loyal or vice versa. In todays' organizations commitment is one of the key factors to sustained productivity, improved performance low turnover, absenteeism. Thus creating a committed workforce is a priority of any organization. The questionnaire on organization commitment had ten items which were measured on Likert type scale. One (1) represented "Not at all" while 5=To a great extent. High scores (>2.5) were construed to have high commitment and low scores of (<2.5) were associated with low commitment. Respondents were asked to state their feelings whether they like working in their organizations. The pertinent results and ranking of the items is shown in the Table 4.24.

Table 4.24 Means and Standard Deviation Measures for Organizational Commitment

Item	N	Mean	Standard Deviation
Staff like working for this organization	694	3.18	.976
Employees look forward to coming to work	694	3.09	.975
Staff have strong desire to stay and maintain membership	693	3.03	.997
Absenteeism rate is very low	693	3.02	1.090
Employees have close cooperation with their managers	687	2.93	.972
Staff have individual attachment to this organization	686	2.93	.985
Employees perceive current and future opportunities as adequate	689	2.91	1.002
Employees stay overtime to finish their work	693	2.88	1.112
Organization make commitment to employees	685	2.87	1.024
Labor turnover is low	685	2.76	1.032
Aggregate		2.96	

Source: Primary Data (2014)

Table 4.24 findings reveal that the scores are close and the aggregate mean of 2.96 was obtained. Respondents were asked to about "whether they like working in their organizations". The results obtained had a mean=3.18, SD=.976. This implies there is

general agreement among organizations surveyed that staff liked working in their organizations. This is indicator that staff had no intention of leaving soon; they have a sense of belongingness to the university. This is evidenced by the length of service staff have been working in the institutions; those over 20 years' service was 15.5% and those more between 5-10 years was 32%. However moderate results could also be interpreted to mean the staff are not sure whether to stay or not but for the time being they are comfortable. These results can be further confirmed by item on labour turnover with mean=2.76, SD=1.032. On the item of "whether the employees have desire to stay and maintain membership", the response obtained (mean=3.03, SD=.997) which is moderate results. On whether "perceive current and future opportunities" the response obtained mean=2.91, SD=1.002. When there is lack of commitment there can be high labour turnover which is costly for the organization. The respondents indicated that they prefer their current institutions.

4.4.15 Summary of Means Job-Related Attitudes

Below is the summary score for job related attitudes

Table 4.25 Summary of Means of Job-Related Attitudes

Q. No.	Item	Mean
27	Job Satisfaction	2.98
29	Organization Commitment	2.96
	Aggregate	2.97

Source: Primary Data (2014)

4.4.16 Organizational Performance

To survive in a highly competitive environment, organizations must constantly check their financial and non-financial health. Positive financial viability ensures that an organization continues to perform well both in short and long term.

Respondents were asked to state their feelings on non-financial performance and adherence to budget of their universities. This was measured on Likert type scale where 1=Not at all, and 5=To a great extent. The non-financial measures consisted of ten items

to measure the respondents' perception of the organizations' performance. The Cronbach's Alpha Coefficient of the scale was .919. The means and standard deviation for each item is presented in Table 4.26.

Table 4.26 Means and Standard Deviation Measures for Non-Financial Performance

Items	N	Mean	Standard Deviation
University has attracted qualified and capable employees	677	3.83	1.000
Employees in the university are satisfied with their work	682	3.81	.989
Employee satisfaction index has improved over the last 3 years	663	3.63	1.181
There are minimum customer complaints in our university	677	3.62	1.102
University monitors financial performance on regular basis	674	3.61	1.067
University adheres to the set down budget for the year	662	3.59	1.135
Customer satisfaction index in the university has improved in the last 3 years	680	3.58	.980
Utilization of funds is within the allocated budget	662	3.57	1.084
The university encourage staff to publish	682	3.56	1.139
Research grants won have increased in the last three years	658	3.55	1.183
Aggregate		3.63	

Source: Primary Data (2014)

Table 4.26 above shows that a mean score of 3.63 was obtained. This indicates that most of the respondents feel that their services are superior compared to those of competitors. Item which sought to find out if the universities attract qualified staff had the highest mean=3.83, SD=1. This implies that there is a general agreement that the workforce in the university is qualified and as such is capable of performing their work to achieve organizational goals.

The results show that the overall mean score for the non-financial organizational performance measure was 3.62. Increase in revenue and monitoring financial performance mean score was 3.65, SD= 1.654. This implies that the universities focus on the changing needs of their employees and environment. Research grants won had the lowest mean score of 3.55. This may be attributed to fact that most of the universities are newly chartered and

have not strengthened their research units to attract funding and could be due to lack of facilitation as such the academic staff could be concentrating more on lecturing rather than

4.5 Correlation Analysis of All the Variables

Correlation analysis using Pearson's Product Moment (PPM) technique was used to establish the relationship between the main variables of the study. Correlation analysis is a measure of linear association between two variables. The test was done to identify the strength and direction of the associations among the variables of the study. The variables in the study were employee empowerment, institutional factors, job-related attitudes and organizational performance. Values of correlation coefficient range from -1 and +1. A correlation coefficient of +1 indicates that two variables are perfectly and positively related in a linear sense. While -1 indicates that two variables are perfectly related but in a negative linear sense. Hair et al (2006) recommended that correlation coefficient (r) ranging from .81 and 1.0 are very strong; from .61 to .80 are strong; from .41 to .60 moderate; from .21 to .40 weak; and from .00 and .20 indicates no relationship. Table 4.27 summarizes the results.

Table 4.27 Correlations Matrix

		Employee Empowerment	Institutional Factors	Job related Attitudes	Organizational Performance
Employee Empowerment	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	520			
Institutional Factors	Pearson Correlation	.729**	1		
	Sig. (2-tailed)	.000			
	N	402	503		
Job- related Attitudes	Pearson Correlation	.638**	.779**	1	
	Sig. (2-tailed)	.000	.000		
	N	479	468	626	
Organizational Performance	Pearson Correlation	.535**	.488**	.377**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	477	469	567	620

** . Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed)

Source: Primary Data (2014)

The correlation analysis with the main variables indicated positive and significant coefficients between the variables. The pertinent results from Table 4.27 reveal that there is significant relationship between employee empowerment and performance ($r=.535$, $p\text{-value}<.001$). The Strength and direction of relationship is moderate; while employee empowerment and job-related attitudes relationship ($r=.638$, $p\text{-value}<.001$) is also strong. Employee empowerment with institutional factors the relationship is strong and significant at ($r=.729$, $p\text{-value} <.001$). Job-related attitudes with performance ($r=.377$, $p\text{-value}<.001$). Institutional factors and performance ($r=.488$, $p\text{-value}<.001$). These results were all positive and statistically significant; hence supporting the fact that employee empowerment has a positive influence on organizational performance. The correlation findings are consistent with other reported findings in previous research by Fox (1998), Kanooni (2005), and Saif & Saleh, (2013) among others.

Using the rule of the thumb as cited by Garson (2008), none of the independent variables had a correlation of more than >0.8 , which suggested that there was no multicollinearity. Garson (2008) observed that inter-correlation among the variables of $>.80$ signals a possible problem of multicollinearity, while Tabachnick and Fidell (2007) posited that a correlation of $>.90$ showed that the variables would be measuring the same effect.

The variables of the study were further subjected to a second multicollinearity testing using Variance Inflation Factor (VIF) and Tolerance tests in the regression analysis. The variables had Variable Inflation Factors (VIF) ranging from 1.10 to 2.062 which is within the criteria set by Meyers (1990), who suggest that VIF should be less than 10. The tolerance value was between 0.367 and 0.710 which was within Menard's (1995) criteria, which suggested that tolerance value of less than 0.1 can infer multicollinearity. According to O'Brien (2007) a tolerance value of less than 0.20 or 0.1 indicates serious collinearity problems. Myers (1990) suggests that a Variable Inflation Factor (VIF) value greater than 10 is a sign of collinearity and a cause for concern.

Tests for normality were done using histograms and scatter diagrams. The results are presented in Appendix 6 to 9. The overall results show that there is no multicollinearity and therefore, the data was fit for analysis.

4.6 Test of Hypotheses

The aim of this section is to test the hypotheses of the study and discuss the findings. The hypotheses describe the relationship and linkages of the various variables as conceptualized and illustrated in the conceptual model of the study. The study had four objectives and four corresponding hypotheses. The testing of hypotheses involved the effect of employee empowerment (predictor variable) on organization performance which was the dependent variable, effect of job-related attitudes on the influence of employee empowerment and performance, moderating effect of institutional factors on the influence of employee empowerment on performance and the combined effect of employee empowerment, institutional factors, job-related attitudes on performance of Public Universities in Kenya.

These relationships between employee empowerment, job-related attitudes, institutional factors and organizational performance were tested using inferential statistics namely: simple linear regression analyses, multiple regressions, and stepwise regression analysis were performed to examine the effect of the predictor variable on organization performance (criterion/dependent variable). Regression analysis was done to establish the statistical significance of the respective hypotheses. The analysis was done in stages starting with the main variables to ascertain their independent effect on performance. In the subsequent models different combinations were tested for the interaction effect and joint effect. Stepwise regression was used to test mediating variable namely job-related attitudes in the relationship between employee empowerment and organizational performance, and the moderating effect of institutional factors on the relationship between employee empowerment and performance. Regression analysis reveals the contribution of the independent variable to the variations of the dependent variable.

The variables were measured using Interval Likert-type scale ranging from one (1) =not at all and five (5) =to a very great extent and 3 being the mid-point and an aggregate mean score for each variable was computed. All hypotheses were tested at 95%, 99% confidence level ($\alpha=0.05, .001$). In addition, all the regression models are subjected to multicollinearity test by assessing the Variance Inflation Factor (VIF) for each independent variable. The VIF and the tolerance values were produced through statistical

computer Package for Social Studies (SPSS version 17.0). The results indicated that all the independent variables in the study had high tolerance levels and were hence free from multicollinearity problem as such this allowed use of variables to test for hypothesis.

4.6.1 Influence of Employee Empowerment on Performance of Public Universities in Kenya

The first objective of the study was to establish the influence of employee empowerment on organizational performance. The literature and empirical evidence had suggested that employee empowerment would be associated with organizational performance. Employee empowerment under study had five dimensions namely: involvement in decision making, autonomy, training and development, access to information and management support. Organizational performance was composed of non-financial and financial performance (revenue growth).

Data used to test hypothesis one for non-financial performance was collected using 38 items measuring employee empowerment and 10 items measuring non-financial performance. The respondents rated the extent which itemized employee empowerment programs were used in their organization, on a scale of 1='not at all to' 5='to very great extent' on Likert- type scale. Equally the items measuring non-financial performance consisted of statements that measured the extent to which they applied to the institutions, on a scale of 1='not at all' and 5='to a very great extent'.

To satisfy objective one, the following hypothesis was tested using simple linear regression model.

Objective one: Employee empowerment influences performance in Public Universities in Kenya; gave rise to hypothesis one which predicted as follows:

Hypothesis 1: Employee empowerment influences performance of Public Universities in Kenya

Hypothesis One (H1) focused on establishing the influence of employee empowerment on performance of public universities in Kenya. Test of hypothesis one was done using

employee empowerment as independent variable and non-financial indicators of performance as dependent variable and secondly, using financial performance, measured by revenue growth. Composite index for four indicators of non-financial performance was the criterion variable while composite index for the five indicators of employee empowerment constituted the measure for the independent variable. A composite index for employee empowerment was computed as the sum of responses divided by the total number of indicators/measurement items. Simple linear regression analysis was used to test the hypothesis. The regression results are presented in Table 4.28.

Table 4.28 Regression Results of Influence of Employee Empowerment on Non-Financial Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.535	.286	.285	.15767		
ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.732	1	4.732	190.353	.000
	Residual	11.809	475	.025		
	Total	16.541	476			
Regression Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	P Value
		B	Std. Error	Beta		
1	(Constant)	.224	.037		6.003	.000
	employee empowerment	.858	.062	.535	13.797	.000
Predictors: (Constant), Employee Empowerment						
Dependent Variable: Non-Financial Performance						

Source: Primary Data (2014)

Table 4.28 shows a regression analysis that was performed in order to establish variation of the relationship between employee empowerment and non-financial performance. The regression results show that 28.6% of the variance in non-financial performance is explained by employee empowerment ($R^2=.286$, $p\text{-value}<0.05$) which is statistically significant. However the regression did not explain 71.4% of the variation in performance which was not captured in the model.

F ratio was significant ($F=190.353$, $p\text{-value}<0.01$). This implies that the regression of employee empowerment on non-financial performance is statically significant at $p<0.01$ level of significance. This shows that the relationship between the two variables is strong, positive and statistically significant. Equally, β coefficient indicates that employee empowerment contributes substantially to the change in the non-financial performance ($\beta=.858$, $t=13.797$, $p\text{-value}<0.05$). Specifically, for one unit change in employee empowerment there is a corresponding 0.858 variation in non-financial performance. The change is statistically significant. From these results, the hypothesized influence of employee empowerment on non-financial performance is confirmed.

The results above show that employee empowerment explains variations of the relationship between employee empowerment and non-financial performance. The findings are consistent with the findings by Wilkinson (1998) which showed that empowering employees brings a lot of benefit to the organization. Further, findings by Wilkinson (1998) urged organizations to move away from hierarchical authority and limited employee discretion to where there was great employee trust and empowerment which lead enhanced performance. Further, study by Chen (2011) concur that there is significant relationship between employee empowerment and performance. They proposed that when employees feel empowered with autonomy, and opportunities to influence decisions in their jobs, their performance improves significantly. The study findings are consistent with Spreitzer (1995) proposition that contend that empowerment practices such as providing employees with job-related knowledge and skills and granting greater discretion, positively influence employee perceptions of performance.

Thus the results lend support to extant literature that there is a positive relationship between employee empowerment and organizational performance (Spreitzer, 1995; Wilkinson, 1998; Fox, 1998).

Using the statistical results the regression model can be fitted as follows:

$$(OP = \alpha + bx)$$

$$OP = .224 + .858 EE_1$$

Where:

OP = Non-financial Organization Performance

α = Constant

EE = Employee Empowerment

ϵ_1 = Error term

4.6.2 Effect of Influence of Employee Empowerment on Financial Measures of Organizational Performance

Testing hypothesis one with employee empowerment as independent variable and financial performance as dependent variable was performed. Given that the universities are non-profit making organizations, financial performance was measured on revenue growth or decrease between years 2008/9 to 2012/2013. Revenue growth was regressed on employee empowerment. The results are presented in Table 4.29

The regression results show that 3.8% of the variation in revenue growth is explained by employee empowerment ($R^2 = .038$, $p\text{-value} < 0.01$). F ratio was significant ($F = 20.276$, $p < 0.01$). The F ratio implies the regression model of employee empowerment on revenue growth is statistically significant at $p < 0.01$. The t value implies that the coefficient of the model parameter is statistically significant ($\beta = -2.363$, $t = -4.503$, $p\text{-value} < 0.01$). The β value implies that one unit change in employee empowerment is associated with -2.363 changes in revenue growth. The β value for revenue growth is affected inversely ($\beta = -2.363$), however the influence of employee empowerment on revenue growth was statistically significant. The findings were surprising and contrary to what was expected. It was difficult for the researcher to explain why employee empowerment would lead to

negative revenue growth. This could probably be due to error in the methodology which could not possibly be detected.

Table 4.29 Regression Results on Influence of Employee Empowerment on Revenue Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.194 ^a	.038	.036	1.38307		
ANOVA ^b						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	38.786	1	38.786	20.276	.000 ^a
	Residual	987.043	516	1.913		
	Total	1025.829	517			
Regression Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.328	.315		10.577	.000
	employee empowerment	-2.363	.525	-.194	-4.503	.000
a. Predictors: (Constant), Employee Empowerment						
b. Dependent Variable: Average Revenue Growth						

Source: Primary Data (2014)

From results in Table 4.29 it can be concluded that the influence of employee empowerment on revenue growth was minimal. This implies that employees can be empowered but sometimes it does not automatically translate into revenue growth. For example an academic staff is empowered to teach but no adequate facilities to attract increased student enrolment. Secondly, this could be explained by the fact that universities are public institutions which are not geared towards profit making. The major focus of universities is rather delivery of effective and efficient services.

Overall, the hypothesis (H1) that employee empowerment influences organizational performance is confirmed by the findings above.

Using the statistical results the regression model can be fitted as follows:

$$(RG = \beta_0 + bx)$$

$$RG = 3.328 + 2.363 EE$$

Where:

RG = Revenue Growth

β_0 = Constant

EE = Employee Empowerment

ε_2 = Error term

Table 4.30 summarizes results for the influence of employee empowerment on each factor of organizational performance.

Table 4:30 Summary Results for Effect of Employee Empowerment Influence on Organizational Performance

Variables	Non- Financial Performance			Revenue Growth		
	B	SE	B	B	SE	B
Constant	-224	.037		3.328	.315	
Employee Empowerment	.858	.062	.535	-2.363	-.525	-.194
	R=.535 R Square=.286 F=190.353 T=13.797			R=.193 R Squared=-.038 F=20.276 T=-4.503		

*p<0.01 *p<0.05

Source: Primary Data (2014)

In summary it can be concluded that non-financial performance measures had the strongest relationship with employee empowerment compared with revenue growth. Hypothesis one that employee empowerment influences organizational performance was partially confirmed.

4.6.3 Employee Empowerment, Job-Related Attitudes and Organizational Performance

The second objective was to determine the mediating effect of Job-related attitudes on the influence of employee empowerment on organizational performance. Hypothesis 2 was tested using Stepwise regression. A composite score of Job-related attitudes was computed. The Baron and Kenny (1986) method was used to test for mediation.

Testing for mediation involve a four step model. First step employee empowerment and organizational performance regression coefficients (beta) examined to determine the size and direction and whether it was statistically significant (that is a regression model was conducted for the influence of employee empowerment on organizational performance). If this relationship is not significant there can be no mediation. In the second step, job-related attitudes were regressed on employee empowerment and the beta examined to ascertain if it is statistically significant. If it is statistically significant then we proceed to step three. Step three involved regressing performance on job-related attitudes and the beta was examined to confirm whether or not it is significant. The influence of employee empowerment on performance was evaluated while controlling for the mediator. For mediation to be confirmed the influence of employee empowerment becomes insignificant when controlling for the mediator. To establish the mediating effect of job-related attitudes on the relationship between employee empowerment and organization performance the hypothesis was formulated as follows:

Objective Two: To determine the mediating effect of Job-related attitudes on the influence of employee empowerment on organizational performance

Hypothesis 2: The influence of employee empowerment on organizational performance is mediated by job-related attitudes

The results obtained are as follows:

Step One: Influence of Employee Empowerment on Non-Financial Performance

In this step one independent variable is regressed on the dependent variable. This is to determine whether the independent variable (employee empowerment) is a significant predictor of dependent variable (performance). The results are shown Table 4.31

Table 4.31 Regression Results of Influence of Employee Empowerment on Non-Financial Performance

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	T	P Value
	B	Std. Error	Beta		
Step 1 (Constant)	.224	.037		6.003	.000
employee empowerment	.858	.062	.535	13.797	.000
Predictors: (Constant), Employee Empowerment Dependent Variable: Non-financial Performance					
R = .535 R ² = .286 F = 190.353 p < .001					

Step Two: Influence of Employee Empowerment on Job-Related Attitudes

The second step a regression analysis to assess the relationship between employee empowerment and Job-related Attitudes was performed. The regression analysis is to confirm if the independent variable is a significant predictor of the mediator. Model 2 presents statistical results when job-related attitudes are included in the equation. The results are summarized in Table 4.32 (Appendix 10)

The results presented in Table 4.32 reveal that 40.7% ($R^2 = .407$, $p < 0.05$) of variation in job-related attitudes is explained by employee empowerment. However, the model does not explain 59.3% of the variation in job-related attitudes, suggesting that there are other factors associated with job-related attitudes which were not captured by the model.

Table 4.32 Regression Results for the Effect of Employee Empowerment on Job- Related Attitudes

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	T	P Value
	B	Std. Error	Beta		
Step (Constant)	.166	.024		6.989	.000
2 employee empowerment	.718	.040	.638	18.093	.000
Predictors: (Constant), Employee Empowerment					
Dependent Variable: Job-Related Attitudes					
R =.638					
R ² = .407					
F=327.343, p<.001					

Source: Primary Data

The regression results presented in the same table reveal that F and t values are significant (F=327.343, β =.718, t=18.093, p-value<0.05). The F ratio implies that the regression of employee empowerment on job-related attitudes is statistically significant. The Beta value (β =.718, p<.05) implies that for one unit change in employee empowerment, job-related attitudes increases by 0.718 other predictors held constant. The results of the overall model reveals that the relationship between employee empowerment and job-related attitudes is positive and is statistically significant (F=327.343, p<0.05). This means that employee empowerment may predict job-related attitudes. As such the criteria for step two were met.

The results are consistent with previous studies which indicate that employee empowerment in public service had significant impact on job-related attitudes (Fernandes and Moldogazier, 2011). The results indicate that there is sufficient evidence to support the hypothesis that there is a relationship between employee empowerment and job-related attitudes.

Step Three Job-Related Attitudes and Non-Financial Performance

In step three, the influence of job-related attitudes on non-financial performance was tested before employee empowerment was introduced into the equation. The results were as represented in Table 4.33.

According to Baron and Kenny (1986) step three demonstrates that when the mediator and the independent variable are used simultaneously to predict the dependent variable the previously significant path between independent and dependent (Step 1) is now greatly reduced. Step three yielded statistically significant model with the coefficient being significant and thus the third condition was met.

The results in Table 4.33 show that job-related attitudes explains 12.1% of variation in non-financial performance ($R^2=.121$). At step 2, employee empowerment adds significantly to non-financial performance as the variation increased from .121 to .294 (R^2 change =.173, $p<.001$). The results revealed that the regression coefficients in respect to employee empowerment reduced from .858 to .509 when job-related attitudes was added to the regression equation suggesting that job-related attitude may be exerting a partial mediation effect. The overall model ($F=60.554$, $p<.001$) and individual variables are statistically significant ($\beta=.509$, $t=7.782$, $p<.001$). The result provides sufficient evidence to support the criteria for step three. Step three yielded statistically significant model with the coefficient being significant and thus the third condition was met.

Step Four Employee Empowerment, Job-Related Attitudes and Non-Financial performance

In step four, all the three variables namely: employee empowerment, job-related attitudes and non-financial performance were entered into the regression equation to test for mediation effect. The result reveal that 29.4% ($R^2=.294$) variation in non-financial performance is explained by employee empowerment and job-related attitudes. The R^2 Change=.173 $p<.001$ ($R^2 =.121$ to $R^2 = .294$ $p<0.001$). The overall model is statistically significant $F=91.288$; $p<.001$). The F ratios imply that the effect of job-related attitudes on the relationship between employee empowerment and non-financial performance is

statistically significant at $p\text{-value} < .001$ level of significance. The beta coefficient ($\beta = .879$, $p > 0.05$) were all statistically insignificant.

In step four, the model was significant but the coefficient for Job-Related Attitudes became insignificant while that of employee empowerment remained significant. This was contrary to condition four which required that the independent variable (that is employee empowerment) should not be significant in the presence of mediating variable (that is, job-related attitudes). Thus hypothesis two was not confirmed.

The study aimed at assessing the mediation effect of job-related attitudes on the relationship between employee empowerment and non-financial performance. The pertinent results are presented in Table 4.33 below.

Table 4.33 Stepwise Regression Results for the Influence of Job-Related Attitudes on Performance and its Effect on Employee Empowerment

Regression Coefficients						
	Unstandardized Coefficients		Standardized Coefficients	T	P-value	
	B	Std. Error	Beta			
Step 1: Constant	.224	.037	.535	6.003	.000	R=.535
Employee Empowerment	.858	.062		13.797	.000	R ² =.286** F=190.352
Step 2: Constant	.166	.024		6.989	.000	R=.638
Employee empowerment	.718	.040	.638	18.093	.000	R ² =.407** F=327.343
Step 3: Constant	.430	.039		10.952	.000	R=.348
Job-related Attitudes	.509	.065	.348	7.782	.000	R ² =.121** F=60.554
Step 4: Constant	.206	.041		4.995	.000	
Job-related Attitudes	.007	.076	.005	.088	.930	R=.542
Employee Empowerment	.879	.085	.539	10.361	.000	R ² =.2948** F=91.288
Model 3 Predictors: (Constant), Job- related Attitudes						**P<.05
Model 4 Predictors: (Constant), Job -related Attitudes, Employee Empowerment						
Dependent Variable: Non-financial Performance						

Source: Primary Data (2014)

The results revealed that the regression coefficients in respect to employee empowerment reduced from .858 to .509 when job-related attitudes was added to the regression equation suggesting that job-related attitude may be exerting a partial mediation effect. The overall model (F=60.554, p<.001) and individual variables are statistically significant (β =.509, t=7.782, p<.001). The result provides sufficient evidence to support the criteria for step three.

The outcome of the test for mediation was as represented in table 4.33. The overall model is statistically significant (F= 91.288, p<.001) and the individual variables are statistically significant (β =.879, t=10.361, p<001). The p-value of Job-related attitudes with respect to

influence of employee empowerment on non-financial performance was (p -value=.930) was therefore statistically insignificant. This results implies that there is no sufficient evidence to support the mediating effect of Job-related Attitudes

Finally, a regression analysis was performed to examine the betas for the strength and significance of the relationship. In step one, organization performance (non-financial) was regressed on job-related attitudes and in step two, job-related attitudes was regressed on employee empowerment to assess if there is significant change, the effect of employee empowerment on the organization performance should no longer be statistically significant at $\alpha = .05$.

The results revealed that the regression coefficient for employee empowerment increased from .286 (in step 1) to .407 (step 2) when job-related attitude was added, ($\beta = .509$, $p < .001$). Summary Table 4.34 below:

Table 4.34 Summary of Mediating Effect of Job-Related Attitudes on the Relationship between Employee Empowerment and Non-Financial Performance

	Analysis	R	R²	R square change	B	P-value
1	Analysis One: Organizational Performance on employee empowerment	.535	.286		.858	.000
F=190.353 p-value<.001 T=13.797 p-value <.001						
2	Analysis Two: Job-related attitude on employee empowerment	.638	.407		.718	.000
F=327.343 p<.001, T=18.093 p<.001						
3	Analysis Three: Step 1: Non-Financial performance on job-related attitudes	.348	.121	.121	.509	.000
F=60.554 p<.001 T=7.782<.001						
4	Step2: Non-Financial performance on Job-related attitudes and employee empowerment	.542	.294	.173	.879	.000
F=91.288 p<.001 (F change =107.352) T=10.361 p <.001						

Source: Primary Data (2014)

The results in Table 4.34 reveal that the correlation between employee empowerment and performance was moderate and statistically significant at $\alpha=.05$ ($R=.535$) and ($R^2=.286$, $p\text{-value}<.001$) explained the variation in performance. Correlation between Job-related attitudes and empowerment was statistically significant ($R=.638$, $p<.001$) and ($R^2=.407$, $p\text{-value}<.001$) explained variation in job-related attitudes. This means that all the factors in employee empowerment have significant relationship with performance.

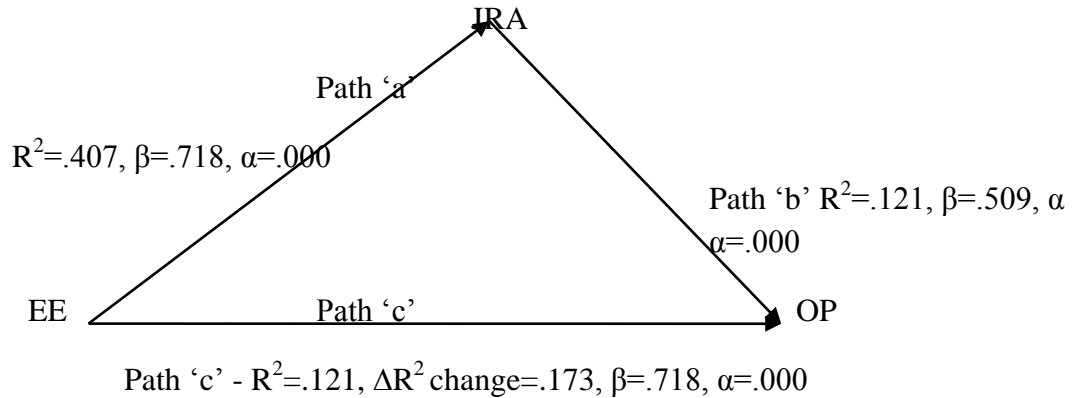
However there was no sufficient evidence to support the mediating effect of job-related attitudes on the influence of employee empowerment on non-financial performance ($p=.930$ which is >0.05). The mediation relationship is presented in Figure 4.1

Figure 4.1 Path Analysis of Mediating Effect of Job-Related Attitudes on the Relationship between Employee Empowerment and Non-Financial Performance

Path A: Overall Direct Effect

$$EE \xrightarrow{R^2=.286, \beta=.858, \alpha=0.000} OP$$

Path B: Path Diagram for Mediation Effect of Job-Related Attitudes



In Figure 4.1, Part A represents direct relationship between employee empowerment and non-financial performance. It comprises three paths. Path 'a' represents step 2 where employee empowerment was regressed on job-related attitudes. Path 'b' captures step 3 which represents regression of job-related attitudes on non-financial performance. Path 'c' is where employee empowerment, job-related attitudes and non-financial performance were entered into the regression equation. The overall results reveal that the findings were statistically insignificant ($p\text{-value}=.930$) hence hypothesis two was not supported $p>0.05$

4.6.4 Mediating Effect of Job-related Attitudes on the Relationship between Employee Empowerment and Revenue Growth

Previous studies and theoretical reasoning anticipated a significant relationship between employee empowerment and job-related attitudes. Stepwise regression was used to test for mediating effect as indicated above. Results were presented in Table 4.35.

In step one, independent variable is regressed on the dependent variable. This is to determine whether the independent variable (employee empowerment) is a significant predictor of dependent variable (revenue growth). The results are shown Table 4.35

Table 4.35 Influence of Employee Empowerment on Revenue Growth

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	P value
	B	Std. Error	Beta		
1 (Constant)	3.328	.315		10.577	.000
employee empowerment	-2.363	.525	-.194	-4.503	.000
a. Predictors: (Constant), Employee Empowerment					
b. Dependent Variable: Average Revenue Growth					
R=.194					
R Squared =.0380					
F = 20.276, p<.001					

Source: Primary Data (2014)

Table 4.35 show that 3.8% ($R^2=.038$, $p<.001$) of variation in revenue growth is explained by employee empowerment. However the model did not explain 96.2% of variation in revenue growth, suggesting that there are other factors associated with revenue growth, which were not captured in the regression model. The results indicate a statistically significant model suggesting that the regression is fit for use. The F ratios and t value were significant ($F=20.276$, $p<.001$). The coefficient for employee empowerment was also significant ($\beta = -2.363$, $p<.001$) the first condition for mediation was thus met.

Step Two: Influence of Employee Empowerment and Job-Related Attitudes

The second step intended to find out the influence of Employee empowerment on Job-related Attitudes. This is to confirm that the independent variable is a significant predictor of mediator. Model 2 presents statistical results when job-related attitudes are included in the equation. Pertinent results are presented in Table 4.36

Table 4.36 Regression Results of Influence of Employee Empowerment on Job Related Attitudes

Coefficients						
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
	B	Std. Error	Beta			
Step 2	(Constant)	.166	.024		6.989	.000
	employee empowerment	.718	.040	.638	18.093	.000
Predictors: (Constant), Employee Empowerment						
Dependent Variable: Job-Related Attitudes						
R =.638						
R Squared= .407						
F=327.343, p<.001						

Source: Primary Data (2014)

The results in Table 4.36 show that employee empowerment explains 40.7% ($R^2=.407$) of variation in job-related attitudes. The results indicate that the overall model was statistically significant ($F=327.343$, $p<.001$). The F value of 327.343 was statistically significant. The F ratio implies that the effect of employee empowerment on job-related attitudes is statistically significant. The coefficient of individual variables was statistically significant ($\beta=18.093$, $p<.001$). Specifically, one unit change in the relationship between employee empowerment is associated with 18.0931 unit change in job-related attitudes. The results indicated that the relationship between employee empowerment and job-related attitudes was statistically significant with the coefficient also being significant. From these analyses it can be concluded that the effect of

employee empowerment on job-related attitudes is positive and significant. The second condition in testing for mediation was thus met.

Step Three: Influence of Job-related Attitude on Revenue Growth

Testing for the influence of Job-Related Attitudes on revenue growth yielded the results presented in table 4.37

Table 4.37 Regression Results for Influence of Job -related Attitudes on Revenue Growth and its Effect on Employee Empowerment

(a) Goodness-of-Fit

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.535	.286	.285	.15767					
2	.638	.407	.406	.09938					
3	.128 ^a	.016	.014	1.36831	.016	8.537	1	513	.004
4	.198 ^b	.039	.036	1.35355	.023	12.250	1	512	.001

(b) Overall Significance of Models (ANOVA)

Model	Sum of Squares	Df	Mean Square	F	P value
Step 1: Regression	4.732	1	4.732	190.352	.000
Residual	11.809	475	.025		
Total	16.541	476			
Step 2: Regression	3.233	1	3.233	327.343	.000
Residual	4.711	477	.010		
Total	7.944	478			
Step 3: Regression	15.984	1	15.984	8.537	.004 ^a
Residual	960.481	513	1.872		
Total	976.465	514			
Step 4: Regression	38.427	2	19.213	10.487	.000 ^b
Residual	938.038	512	1.832		
Total	976.465	514			

(c) **The Individual Significance**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 Constant	.224	.037	.535	6.003	.000		
Employee Empowerment	.858	.062		13.797	.000		
2 Constant	.166	.062	.636	6.989	.000		
Employee Empowerment	.718	.040		18.093	.000		
3 Constant	2.562	.226		11.354	.000		
Job-related Attitudes	-1.064	.364	-.128	-2.922	.004	1.000	1.000
4 Constant	3.341	.315		10.598	.000		
Job -related Attitudes	-.273	.425	-.033	-.642	.521	.718	1.394
Employee Empowerment	-2.126	.607	-.179	-3.500	.001	.718	1.394
Model 3 Predictors: (Constant), Job-related Attitudes							
Model 4 Predictors: (Constant), Job related Attitudes, Employee Empowerment							
Dependent Variable: Average Revenue Growth							

*Significant at $P \leq 0.05$

Source: Primary Data (2014)

Step three yielded a statistically significant model ($R^2=.016$, $p < 0.05$). The influence of job-related attitudes was also significant ($\beta = -1.064$, $t = -2.922$, $p < 0.05$). However the relationship was negative. The third condition for mediation was met.

Step Four Employee Empowerment, Job-Related Attitudes and Financial Performance

In step four, when controlling for Job-Related Attitudes, the influence of employee empowerment on revenue growth remained statistically significant ($\beta = -2.216$, $t = -3.500$, $p < 0.05$) while the influence of job-related attitudes became insignificant ($\beta = -.273$, $t = .521$, $p > 0.05$). Specifically one unit of change in job-related attitudes is associated with -.273 unit change in revenue growth. The betas were negative contrary to expectation, this could be due to an error in the methodology. Though the two models remained significant

overall, the fourth condition in testing for mediation was not met. The findings thus did not support the hypothesis with respect to revenue growth.

The findings of the regression results were summarized and represented in Table 4.38

Table 4.38 Summary of Regression Results

	Analysis	R	R²	R Square change	β	P Value
1	Revenue Growth on employee empowerment	.194	.038		-2.363	.000
F=20.276, p<0.05; T=-4.503,p<0.05						
2	Job-related attitude on employee empowerment	.638	.407		.718	.001
F=327.343 p<0.05; T=18.093 p<0.05						
3	Step 1:Revenue Growth on job-related attitude	.128	.016	.016	-.1.064	.004
F=8.537, p<0.05; F Change=8.537, p<.0.05; T=-2.922 p<.0.05						
4	Step2:Revenue Growth on employee empowerment, job-related attitudes	.198	.039	.023	-.2.126	.521
F=10.487, p<.05; F change =12.250 p<0.05; T=-3.500 p<.05						

Source: Primary Data (2014)

4.6.5 Moderating Effect of Institutional Factors on Employee Empowerment and Organization Performance

The study sought to assess the moderating effect of institutional factors on the influence of employee empowerment and performance. Moderated effects in a regression model capture the effect of an independent variable on the dependent variable as a function of a third variable. The moderating effect is assessed in terms of how the effect of the explanatory variables changes when the moderator variable is introduced. To assess the moderating effect, objective and Hypothesis three was formulated as follows:

Objective Three: To determine the moderating effect of institutional factors on the influence of employee empowerment on organization performance.

Hypothesis 3: The influence of employee empowerment and organization performance is statistically and significantly moderated by institutional factors.

To test this hypothesis the moderating effect was computed using stepwise method proposed by Baron and Kenny (1986). This involved testing the main effect of the independent variable (employee empowerment) and moderator (institutional factors) on the dependent variable (organizational performance) and the effect of interaction between employee empowerment and the institutional factors on organizational performance. Moderation is assumed to take place if the effect of interaction between the employee empowerment and institutional factors on organizational performance test is significant.

Step One: Influence of Employee Empowerment on Non-Financial Performance

In step one; employee empowerment was regressed on non-financial performance. The results are presented in Table 4.39.

The findings in Table 4.39 show the result of stepwise regression analysis for Model 1 when only employee empowerment and non-financial performance variables are in the equation model ($R^2=.286$, $p<0.05$). These indicate that employee empowerment accounts for 28.6% of the variability in non-financial performance. Further the table shows beta coefficient is .858, $t=13.797$, $p<.001$ when employee empowerment is in the model. These results indicate that for every unit increase in employee empowerment, non-financial performance increased by 0.858. The overall model was also significant ($F=190.33$, $p<.001$).

Table 4.39 Regression Results for Influence of Employee Empowerment on Non-Financial Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.535	.286	.285	.15767		
ANOVA						
Model		Sum of Squares	Df	Mean Square	F	P.
1	Regression	4.732	1	4.732	190.353	.000
	Residual	11.809	475	.025		
	Total	16.541	476			
Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.224	.037		6.003	.000
	employee empowerment	.858	.062	.535	13.797	.000
a. Predictors: (Constant), Employee Empowerment						
b. Dependent Variable: Non-financial Performance						

Source: Primary Data (2014)

Step Two Effect of Employee Empowerment and Institutional Factors on Non-financial Performance

The introduction of the moderator institutional factors in Model 2 significantly improves the effect of institutional factors on the relationship between employee empowerment and non-financial performance ($R^2=.331$, $p<0.05$). Employee empowerment and institutional factors explain 33.1% of the variation in non-financial performance. The F values are statistically significant ($F=111.447$, $p<0.05$ and $F=79.138$, $p<0.05$) that the influence of the independent variable and the moderator were significant in the model. Further the table 4.40 shows the beta coefficient is $\beta=.383$, $t=5.083$, $p<0.05$ that is for every unit increase in institutional factors non-financial performance increases by 0.383.

Table 4.40 Stepwise Regression Results for the Influence of Institutional Factors on the Influence of Employee Empowerment on Non-Financial Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.535	.286	.285	.15767					
2	.576	.331	.328	.15434	.331	111.447	2	450	.000
3	.588	.346	.342	.15282	.015	10.042	1	449	.002

ANOVA

Model		Sum of Squares	Df	Mean Square	F	P-value
1	Regression	16.541	1	4.732	190.353	.000
	Residual	11.809	475	.025		
	Total	4.732	476			
2	Regression	5.310	2	2.655	111.447	.000
	Residual	10.720	450	.024		
	Total	16.030	452			
3	Regression	5.544	3	1.848	79.138	.000
	Residual	10.485	449	.023		
	Total	16.030	452			

Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig. (p-value)
		B	Std. Error	Beta		
1	(Constant)	.224	.037	.535	6.003	<.05
	Employee Empowerment	.858	.062		13.797	<.05
2	(Constant)	.078	.046		1.704	>0.05
	Employee Empowerment	.669	.078		8.577	<.05
	Institutional Factors	.383	.076		5.023	<.05
3	(Constant)	.112	.047		2.400	>0.05
	Employee Empowerment	.648	.077		8.363	<.001
	Institutional Factors	.366	.076		4.836	<.001
	Employee Empowerment* Institutional Factors	-.018	.006		-3.169	<.05

Model 2 Predictors: (Constant), Institutional Factors, Employee Empowerment

Model 3 Predictors: (Constant), Institutional Factors, Employee Empowerment, Interaction Employee Empowerment *Institutional Factors

Dependent Variable: Non-financial Performance

Source: Primary Data (2014)

Step Three Effect of Employee Empowerment, Institutional Factors and Interaction Term on Non-financial Performance

In step 3 the interaction term was introduced in the model. All the variables of employee empowerment, institutional factors and the interaction term were entered in the regression model. The results under change statistics, reveal that the R^2 change increased by .015 from .331 to .346 (R^2 change =.015) when the interaction variable (employee empowerment*institutional factors) was added. The change was statistically significant at $\alpha=.05$ (p-value<0.05). The results show statistically significant relationship between employee empowerment, institutional factors and the interaction ($F=79.138$, p-value<.001). The F changed from 190.353 to 79.138 showing a decrease when interaction was added. The F ratio shows that the regression of employee empowerment and institutional factors on non-financial performance is statistically significant. The t values reveals that the coefficient of the model parameters are statistically significant at less than $p<0.05$. The results in Model 1 Table 4.40 (for step one) show statistically significant regression coefficients for employee empowerment ($\beta=.648$, $t=8.363$, p-value<0.01) indicating that there is a linear dependence of employee empowerment on non-financial performance. The Model was also statistically significant ($\beta =.366$, $t=4.836$, $p<.001$). The beta coefficient decreased from .648 to .366 when institutional factors were introduced. When interaction term was introduced the beta coefficient reduced to -.018 for every unit change in non-financial performance. However the interaction showed an inverse relationship ($\beta=-.018$, $t=-3.169$, $p<0.05$) though it is significant.

These findings are consistent with observations made by Ahadi, (2011), Gailbraith (2002), Spreitzer (1995), and Kanter (1983) among others. The researchers concluded that organization strategy, culture and leadership is critical in the success of empowerment programs. In an empowered organization employees are able to participate in decision making, performance of powerful tasks, they develop initiatives, and receive management support in teams and individually. In addition, these findings support conclusions by Gailbraith (2002) that employee empowerment and institutional factors have influence on organization performance. The hypothesis that the institutional factors moderate the influence of employee empowerment and non-performance is confirmed.

Summary of the regression analysis on effect of institutional factors on the influence of employee empowerment and non-financial performance is presented in Table 4.41

Table 4.41 Summary of Regression Analysis Results for the Moderating Effect of Institutional Factors on the Influence of Employee Empowerment on Non-Financial Performance of Public Universities in Kenya

Predictor Variables	Dependent Variables Non-financial performance				
	B	SE	B	T	P
Employee Empowerment	.648	.077	.392	8.363	.000
	R ² = .286 F=190.353				
Institutional Factors	B	SE	B	T	P
	.366	.076	.227	4.836	.000
	R ² =.331, Change in R Square=.331 F Change =111.447, p <0.05				
EE*IF Model 3	B	SE	B	T	P
	-.018	.006	-.123	-3.169	.002
	R ² = .346 Change in R Square=.015 F= 79.138, p<0.05 F Change=10.042				

The overall model

$$OP = .112 + .648EE + .366IF - .018K$$

Where: OP=Organization Performance

α = Constant

EE=Employee Empowerment

IF=Institutional Factors

K=Product of EE and IF

ϵ =error term

4.6.6 Moderating effect of Institutional Factors on the influence of Employee Empowerment on Revenue Growth

To test for the moderating effect of institutional factors on the influence of employee empowerment on revenue growth for H3, stepwise regression analysis was performed. The first step involved testing the influence of employee empowerment on revenue growth (Table 4.29). The result showed a positive and significant relationship between employee empowerment and revenue growth. The second step involved regressing the independent variable and the moderator against revenue growth. The third step involve creating an interaction term (z-score employee empowerment * z-institutional factors) that is included in the model for testing the influence on revenue growth. Pertinent results are presented below in Tables 4.42.

Step One: Influence of Employee Empowerment of Revenue Growth

In step one, employee empowerment was regressed on non-financial performance. The results are presented in Table 4.42.

Table 4.42 shows the result of stepwise regression analysis for Model 1 when only employee empowerment and financial performance variables are in the equation ($R^2=.040$, $p<0.05$). These indicate that employee empowerment accounts for 4% of the variability in financial performance. Further, the table shows beta coefficient is -2.407 , $t=-4.478$, $p<.05$ when employee empowerment is in the model. These results indicate that for every unit increase in employee empowerment, revenue growth decreased by -2.407 . This implies that empowerment in the universities does not contribute to revenue growth. Revenue growth in the universities could be attributed to other factors such as engagement in income generating activities and increased student enrolment as is the trend currently. The overall model was also significant ($F=20.054$, $p<.05$).

Step Two Effect of Employee Empowerment and Institutional on Revenue Growth

The introduction of the moderator institutional factors in Model 2 significantly improves the effect of institutional factors on the relationship between employee empowerment and non-financial performance ($R^2=.042$, $p<0.05$). Employee empowerment and institutional factors explain 4.2% of the variation in non-financial performance. The F values are

statistically significant ($F=10.571$, $p<0.05$) that the influence of the independent variable and the moderator were significant in the model. Further the table shows the beta coefficient is $\beta=-.651$, $t=-1.091$, $p>0.05$ and for every unit increase in institutional factors financial performance changes by $-.651$. The relationship is inverse. This implies that employee empowerment and institutional factors affect revenue growth inversely. This can be interpreted to mean that the basic characteristics of universities is different from other scenarios where there is emphasize more on profit making strategies; while in the universities the strategies are geared more on delivery of efficient services. When the R squared increases in either mediating or moderating it indicates a stronger empirical explanatory power on the relationship between the variables. The VIF values show that the results are not invalidated by multicollinearity effects. Therefore on the basis of these statistics, the hypothesis is supported. The study concludes that institutional factors moderate the influence of employee empowerment and performance of public universities in Kenya.

Table 4.42 Regression Results for Moderating Effect of Institutional Factors on the Influence of Employee Empowerment on Revenue Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.199 ^a	.040	.038	1.34860	.040	20.054	1	485	.000
2	.205 ^b	.042	.038	1.34849	.002	1.084	1	484	.298
3	.205 ^c	.042	.036	1.34986	.000	.018	1	483	.894

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	36.473	1	36.473	20.054	.000 ^a
	Residual	882.082	485	1.819		
	Total	918.555	486			
2	Regression	38.443	2	19.222	10.571	.000 ^b
	Residual	880.112	484	1.818		
	Total	918.555	486			
3	Regression	38.476	3	12.825	7.039	.000 ^c
	Residual	880.079	483	1.822		
	Total	918.555	486			

Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics		
	B	Std. Error	Beta			Tolerance	VIF	
1 (Constant)	3.335	.321		10.376	.000			
	employee empowerment	-2.407	.538	-.199	-4.478	.000	1.000	1.000
2 (Constant)	3.544	.379		9.346	.000			
	employee empowerment	-2.004	.663	-.166	-3.024	.003	.658	1.520
	institutional factors	-.661	.635	-.057	-1.041	.298	.658	1.520
3 (Constant)	3.530	.394		8.961	.000			
	employee empowerment	-1.997	.665	-.165	-3.001	.003	.654	1.530
	institutional factors	-.651	.639	-.056	-1.019	.309	.650	1.538
	interaction employee empowerment institutional factors	.006	.048	.006	.134	.894	.958	1.044

Model 1 Predictors: (Constant). Employee Empowerment

Model 2 Predictors: (Constant), Employee Empowerment, Institutional Factors

Model 3 Predictors: (Constant), Employee Empowerment, Institutional Factors, Interaction Employee Empowerment Institutional Factors

Dependent Variable: Average Revenue Growth

Source: Primary Data (2014)

Step Three: Employee Empowerment, Institutional Factors, Interaction Term on Revenue Growth

In step 3 the interaction term was introduced in the model. All the variables of employee empowerment, institutional factors and the interaction term were entered in the regression model. The results under change statistics, reveal that the R^2 change increased by .002 from .040 to .042 (R^2 change =.002) when the interaction variable (employee empowerment*institutional factors) was added. The change was statistically significant at $\alpha=.05$ (p-value<0.05). The results show statistically significant relationship between employee empowerment, institutional factors and the interaction ($F=7.039$, p-value<.001). The F changed from 20.054 to 7.039 showing a decrease when interaction was added. The F ratio shows that the regression of employee empowerment and institutional factors on revenue growth is statistically significant. The t values reveals that the coefficient of the model parameters are statistically insignificant at less than $p<0.05$ ($t=-1.019$, and $t=.134$, $p>0.05$). The Model was also statistically insignificant $\beta=.651$, $t=-1.019$, $p\text{-value}>0.05$. The beta coefficient decreased from -.1997 to -.651 when institutional factors were introduced. When interaction term was introduced the beta coefficient reduced to -.006. However the interaction showed an inverse relationship ($\beta=-.018$, $t=-3.169$, $p<0.05$). The findings were surprising and it was difficult to explain the inverse relationship for it could be due to other factors such the methodology used.

Results in Table 4.43 indicate that the regression model is significant ($F=20.054$, $p<.001$, $F=10.571$, $p<0.001$; $F=7.039$, $p<0.001$ in model 1, 2, and 3 respectively. However the influence of institutional factors ($\beta=-.651$, $t=-1.019$, $p>0.05$) and the interaction term ($\beta=.006$, $t=.134$, $p>0.05$) were statistically insignificant.

Summary of the regression analysis result for the moderating effect of institutional factors on the influence of employee empowerment on revenue growth is presented in Table 4.43 below.

Table 4.43 Summary of Regression Results for the Moderating Effect of Institutional Factors on the Influence of Employee Empowerment on Revenue Growth

Predictor Variables	Dependent Variables Revenue Growth				
	B	SE	B	T	P
Employee Empowerment	-1.997	.665	-.165	-3.001	<0.05
	$R^2 = .040$, $F=20.054$				
Institutional Factors					
	-.651	.639	-.056	-1.019	>0.05
	$R^2=.042$, Change in R Square=.002 F Change =1.084, $p <0.05$				
EE*IF					
Model 3	.006	.048	.006	.134	>0.05
	$R^2 = .042$ Change in R Square=.000 F= 7.039, $p <0.05$ F Change=.018				

Source: Primary Data (2014)

The regression model:

$$RG = 3.530 - 1.997EE - .651IF + .006K$$

Where: RG=Revenue Growth

α = Constant

EE=Employee Empowerment

IF=Institutional Factors

K=Product of EE and IF

ε =error term

4.6.7 Joint Effect of Employee Empowerment, Job-related Attitudes and Institutional Factors on Organizational Performance

Objective four of the study sought to establish the combined effect of employee empowerment, institutional factors, and job-related attitudes on organizational performance. The literature reviewed, research objectives and the conceptual framework gave rise to hypothesis four below.

Objective Four: To establish the joint effect of employee empowerment, job-related attitudes, and institutional factors on performance of Public Universities in Kenya

Hypothesis 4: The joint effect of employee empowerment, job-related attitudes, and institutional factors is greater than the effects of each individual variable on organizational performance

Hypothesis four used multiple regressions to test the effect of employee empowerment, job-related attitudes, institutional factors combined on organizational performance. Table 4.45 shows the regression analysis result. Model 1 shows the direct relationship between employee empowerment and organizational performance. Model 2 shows introduction of institutional factors in the regression model whilst model 3 shows combined effect as job-related attitudes is introduced in the model. The three combined variables put together are: employee empowerment, institutional factors, and job-related attitudes to predict organizational performance.

Hypothesis four was tested, first using non-financial indicators of performance and, second based on financial performance specifically revenue growth. Composite index was used for the indicators of non-financial performance which was a criterion variable while composite index was used for the predictor variables. Regression Results are presented in Table 4.44 below

Table 4.44 Regression Results for Joint effect of Employee Empowerment, Institutional Factors and Job related Attitudes on Non-Financial Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.573	.329	.327	.15408	.329	170.803	1	349	.000
2	.575	.330	.327	.15408	.002	.987	1	348	.321
3	.578	.334	.328	.15396	.003	1.572	1	347	.211
ANOVA									
Model			Sum of Squares	Df	Mean Square	F	P Value		
1	Regression		4.055	1	4.055	170.803	.000		
	Residual		8.286	349	.024				
	Total		12.341	350					
2	Regression		4.078	2	2.039	85.892	.000		
	Residual		8.262	348	.024				
	Total		12.341	350					
3	Regression		4.116	3	1.372	57.879	.000		
	Residual		8.225	347	.024				
	Total		12.341	350					
Regression Coefficients									
Model	Unstandardized Coefficients			Standardized Coefficients		T	P Value		
	B	Std. Error		Beta					
1	(Constant)	.164	.043			3.800	.000		
	employee empowerment	.948	.073		.573	13.069	.000		
2	(Constant)	.135	.052			2.590	.010		
	employee empowerment	.874	.104		.528	8.404	.000		
	institutional factors	.113	.113		.062	.994	.321		
3	(Constant)	.127	.053			2.412	.016		
	employee empowerment	.906	.107		.548	8.463	.000		
	institutional factors	.215	.140		.119	1.540	.124		
	job related attitudes	-.131	.104		-.091	-1.254	.211		
Model 1: Predictors (Constant), Employee Empowerment Model 2: Predictors (Constant), Employee Empowerment, Institutional Factors Model 3: Predictors (Constant), Employee Empowerment, Institutional Factors, Job-related Attitudes Dependent Variable: Non-financial Performance									

Source: Primary Data (2014)

Model 1 show the results of analysis when only employee empowerment is used in the model ($R^2=.329$, Adjusted $R^2= .327$ $p<0.05$). These results suggest that 32.9% of the variability in non-financial performance is explained by employee empowerment, while 67.% of the variation is not explained by the model, implying that there are other factors in the model that were not captured. These results are statistically significant. The beta coefficient is positive .948; $t=13.069$, $p<.05$ indicating that one unit change in employee empowerment is associated with .948 unit change in the relationship between employee empowerment and non-financial performance. The results reveal that employee empowerment has a strong and positive effect on non-financial performance. The F value of 170.803, $p<.05$ is statistically significant implying that the data fit the model adequately.

Model 2 introduces institutional factors in the model ($R^2=.330$, $p<0.05$). These results imply that 33% of the variability in the non-financial performance is explained by interaction of institutional factors and employee empowerment to predict non-financial performance. 67% of the variation is not explained by the model, implying that there could be other factors that were not included in the regression model. The beta coefficient is positive .113; $t=.994$, $p>0.05$ implying that one unit change in institutional factors is associated with positive .113 unit change in the relationship between employee empowerment and non-financial performance. The results were statistically insignificant. The F ratio implies that the overall regression model is statistically significant at $F=85.892$, $p<.05$.

Model 3 brings in all the variables (employee empowerment, job-related attitudes, and institutional factors) when job-related attitudes is introduced in the model to predict non-financial performance ($R^2=.334$, $p<0.05$). These results imply that 33.4% of the variability in the non-financial performance is explained by the model. The model indicates that 65.6% of the variability in non-financial performance is not explained by the model, implying there could be other factors not captured by the model. However the results are positive and significant. The beta coefficient is -.131, $t=-1.254$, $p>.05$ implying that one unit change in the variables is associated with negative change of -.131 in the non-financial performance. However, the relationship is inverse and statistically insignificant.

As shown in Table 4.44 above, the F ratio ranged from 170.803 at $p < 0.001$ in Model 1 to $F = 57.879$ at $p < 0.001$ in Model 3. These results indicate that the regression models were statistically significant and therefore fit for prediction. The results show that the joint effect of employee empowerment, institutional factors, and job-related attitudes was greater than the effect of each individual variable on non-financial performance ($R^2 = .334$). Thus hypothesis four was confirmed.

It is evident from the Table 4.44 above that 33.4% ($R^2 = .334$) of the change in non-financial performance is attributable to the three factors of employee empowerment, institutional factors and job-related attitudes. Notable though was the fact that the change in R^2 was minimal on addition of institutional factors (R^2 change = .002) and job-related attitude factors (R^2 change = .003). The regression coefficients reveal that employee empowerment had the largest contribution to non-financial performance ($\beta = .906$, $t = 8.463$, $p < .001$). Contribution by institutional factors was $\beta = .215$, $t = 1.540$, $p > 0.05$ however the results were statistically insignificant. Job-related attitudes had the lowest contribution $\beta = -.131$, $t = -1.254$, $p > 0.05$, however the results were not statistically significant.

The regression model that was used to estimate non-financial performance taking into consideration the joint effect of employee empowerment, institutional factors, job-related attitudes, on non-financial performance is as follows:

$$\text{Joint effect model } Y = \beta_0 + \beta_1 X_1 \text{EE} + \beta_2 X_2 \text{JRA} + \beta_3 X_3 \text{IF} + \varepsilon_4$$

$$\text{OP} = .127 + .906 \text{EE} + .215 \text{IF} - .131 \text{JRA}$$

Where:

Y = Non-Financial Performance

α = Constant

EE = Employee Empowerment

JRA = Job-related Attitude

IF = Institutional Factors

ε = Error term

4.6.8 Joint Effect of Employee Empowerment, Institutional Factors and Job-Related Attitudes on Revenue Growth

The study sought to determine the joint effect of employee empowerment, institutional factors, and job-related attitudes on organizational performance. One hypothesis was developed from the literature reviewed and the conceptual framework. To test the hypothesis of joint effect multiple regression was computed. Objective four gave rise to hypothesis four as stated above.

Results in Table 4.45 below reveal that, Model 1 show the results of analysis when only employee empowerment is used in the model ($R^2=.041$, Adjusted $R^2= .041$ $p<0.05$). These results suggest that 4% of the variability in revenue growth is explained by employee empowerment, while 96.% of the variation is not explained by the model, implying that there are other factors in the model that were not captured. These results are statistically significant. The beta coefficient is negative.-2.375; $t=-4,521$, $p<.05$ indicating that one unit change in employee empowerment is associated with -2.375 unit change in the relationship between employee empowerment and revenue growth. The results reveal that employee empowerment has a negative effect on revenue growth though statically significant. The results were surprising and contrary to expectations and could not be explained. The negative results could probably be due to the methodology used. The employees can be empowered but this will not translate into increase the revenue. The F value of 20.440, $p<0.05$ is statistically significant implying that the data fit the model adequately.

Model 2 introduces institutional factors in the model ($R^2=.043$, $p<0.05$). These results imply that 4.3% of the variability in the revenue growth is explained by interaction of institutional factors and employee empowerment to predict revenue growth 66.7% of the variation is not explained by the model, implying that there could be other factors that were not included in the regression model. The beta coefficient was-.599; $t=-.958$, $p<.05$ implying that one unit change in institutional factors is associated with -.599 unit change in the relationship between employee empowerment and revenue growth. The F ratio implies that the overall regression model is statistically significant at $F=10.678$, $p<.05$.

Model 3 brings in all the variables (employee empowerment, job-related attitudes, and institutional factors) in the model to predict revenue growth ($R^2=.043$, $p<0.05$). These results imply that 4.3% of the variability in the revenue growth is explained by the model. The model indicates that 66.7% of the variability in revenue growth is not explained by the model, implying there could be other factors not captured by the model. However the results are positive and significant. The beta coefficient is $-.242$, $t=-.558$, $p>.05$ implying that one unit change in the variables is associated with change in the revenue growth. However, the relationship is inverse. The results were surprising and could be probably due to the methodology used. This implies that employee empowerment contribution to revenue growth is minimal. According to the research findings empowerment does not directly contribute to increased revenue in public universities.

As shown in Table 4.45 below, the F ratio ranged from 20.440 at $p<0.001$ in Model 1 to $F=7.212$ at $p<0.001$ in Model 3. These results indicate that the regression models were statistically significant and therefore fit for prediction. The result show that the joint effect of employee empowerment, institutional factors, and job-related attitudes was greater than the effect of each individual variable on financial performance ($R^2=.043$). Thus hypothesis four was confirmed.

It is evident from Table 4.45 below that 4.3% ($R^2=.043$) of the change in financial performance is attributable to the three factors of employee empowerment, institutional factors and job-related attitudes. Notable though was the fact that the change in R^2 was minimal on addition of institutional factors (R^2 change=.002) and job-related attitude factors (R^2 change=.001). The regression coefficients reveal that employee empowerment had the largest contribution to financial performance $\beta=-1,845$; $t=-2.589$ $p<.05$. There was no change when institutional factors were introduced. The beta value was $-.548$, $t=-.866$ $p>0.05$ and was statistically insignificant. Job-related attitudes had the lowest contribution $\beta=-.242$, $t=-.558$, $p=>0.05$, however the results were statistically insignificant.

In summary, the results in Table 4.45 indicated a significant model ($F=20.440$ $p<.001$) though the explanatory power was very low. The addition of the other two variables (institutional factors and job related attitudes) did not have significant change in $R^2=0.43$, R Square change $=.001$). Further, the contribution of employee empowerment was significant ($\beta= .157$, $t=-2.589$, $p= p<0.05$). However the contribution of institutional factors ($\beta = -.049$, $t=-.866$, $p>0.05$) and job-related attitudes ($\beta = -.030$, $t=-.558$, $p>0.05$) was not significant.

Table 4.45 Regression Results for Joint Effect of Employee Empowerment, Institutional Factors, and Job-Related Attitudes on Financial Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.202 ^a	.041	.039	1.31512	.041	20.440	1	482	.000
2	.206 ^b	.043	.039	1.31524	.002	.918	1	481	.338
3	.208 ^c	.043	.037	1.31618	.001	.312	1	480	.577
ANOVA									
Model		Sum of Squares	Df	Mean Square	F	P Value			
1	Regression	35.352	1	35.352	20.440	.000 ^a			
	Residual	833.645	482	1.730					
	Total	868.997	483						
2	Regression	36.941	2	18.470	10.678	.000 ^b			
	Residual	832.056	481	1.730					
	Total	868.997	483						
3	Regression	37.481	3	12.494	7.212	.000 ^c			
	Residual	831.517	480	1.732					
	Total	868.997	483						
Regression Coefficient									
Model		Unstandardized Coefficients		Standardized Coefficients		T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta				Tolerance	VIF
1	(Constant)	3.305	.314			10.515	.000		
	employee empowerment	-2.374	.525	-.202		-4.521	.000	1.000	1.000
2	(Constant)	3.492	.370			9.432	.000		
	employee empowerment	-2.005	.652	-.170		-3.076	.002	.650	1.539
	institutional factors	-.599	.625	-.053		-.958	.338	.650	1.539
3	(Constant)	3.508	.372			9.440	.000		
	employee empowerment	-1.845	.712	-.157		-2.589	.010	.544	1.837
	institutional factors	-.548	.632	-.049		-.866	.387	.636	1.572
	job related attitudes	-.242	.434	-.030		-.558	.577	.690	1.448
Model 1 Predictors: (Constant), Employee Empowerment									
Model 2 Predictors: (Constant), Employee Empowerment, Institutional Factors									
Model 3 Predictors: (Constant), Employee Empowerment, Institutional Factors, Job related Attitudes									
Dependent Variable: Average Revenue Growth									

Source: Primary Data (2014)

The findings in Table 4.45 above supported the influence of employee empowerment on revenue growth but were not sufficient to explain the effect of institutional factors and job-related attitudes on the influence. The results were statistically insignificant. We can conclude that the joint effect of employee empowerment, institutional factors, and job-related attitudes is greater than the individual variables.

The regression model that was used to estimate financial performance (revenue growth) in respect to joint effect of employee empowerment, institutional factors and job-related attitudes is as follows.

$$\text{Joint effect model } Y = \beta_0 + \beta_1 X_1 EE + \beta_2 X_2 JRA + \beta_3 X_3 IF + \varepsilon_4$$

Where: Y=Performance

β_0 =Constant

EE=Employee Empowerment

JRA=Job-related Attitudes

IF=Institutional Factors

ε =Error term

4.7 Discussion of the Findings

This section presents the discussion of the findings of the study as well as interpretations. It addresses the implications of the findings for the existing body of knowledge in the field of human resource management. The primary focus of this study was to examine the effect of institutional factors and job-related attitudes on the relationship between employee empowerment and performance if it exists at all. To accomplish the objectives of the study four hypotheses were developed and tested and findings presented. The results showed that there is significant effect of employee empowerment on performance of public universities in Kenya. Below is the discussion on the findings which corresponds with the research objectives.

4.7.1 The Influence of Employee Empowerment and Organization Performance

The first major finding under objective one of the study was the influence of employee empowerment on performance of Public Universities in Kenya. The regression results revealed that employee empowerment has a positive and statistically significant influence on financial and non-financial performance. As discussed earlier other non-financial performance factors namely: publications, student enrollment and completion rates had no significant effect on the influence of employee empowerment and performance; as such they were dropped.

One of the key findings of this study is that as organizations continue to engage employees and giving them more autonomy, performance improves positively. As reported earlier in the chapter, employee empowerment has a statistically significant effect on non-financial performance ($r=.535$, $p<0.05$). Employee empowerment accounted for 28.6% of variation in non-financial performance ($R^2 = .286$) and was statistically significant ($F=190.353$ $\beta=.858$, $t=13.797$, $p<.05$), while employee empowerment accounted for 0.38% of revenue growth and was statistically significant ($F=20.276$, $\beta =-2.363$, $t=-4.503$ $p<0.05$). The beta coefficient shows for every increase in employee empowerment there is decrease in revenue growth, thus the relationship is inverse. This result was surprising and contrary to expectations. It could not be explained further.

These findings support the results by Chen (2011) who carried out a study on the influence of employee empowerment on performance in Malaysia automobile industry. In the said study it was found that employee empowerment influences performance, and that there was significant correlation between empowerment dimensions and performance. The study proposed that when employees feel they have autonomy, freedom and opportunities to influence decision making in their jobs their performance improved significantly (Chen, 2011).

The findings of the study are further corroborated by those obtained by Yang and Choi (2009), Menon (2001), Spreitzer, (1995) among others. Spreitzer (1995) found that employee empowerment had an economically and statistically significant impact on performance. The current study is also consisted with studies carried out by Fox (1998) and Spreitzer (1995). The said studies confirmed that involving employees in decision making enhances performance. Fox (1998) noted that empowerment has a ‘win-win’ outcome, that is while improving organizational performance and contributing to the bottom line, it simultaneously leads to improvements in the experience of the workers.

Further studies by Spreitzer (1995) also confirmed that employee empowerment influences both employee satisfaction and customer satisfaction dimensions of performance. Fernandes and Moldogaziev (2011) further supported effect of employee empowerment on employee satisfaction. In the said study the authors investigated the direct influence of psychological empowerment on performance in the public sector; their study established that empowerment work place practices affect employee satisfaction and customer satisfaction which in turn affects performance. They also established that empowerment had a strong direct effect on customer satisfaction and productivity. As such empowerment is a managerial strategy to get more employee commitment in return for ceding some amount of control. This action leads to employee satisfaction which has direct relationship with customer satisfaction and performance.

In addition, the said study by Fernandes and Moldogaziev (2011) established that organizations with high level employee satisfaction had a flexible and engaging culture than those organizations with more structured hierarchical and less flexible environment. Increased levels of employee satisfaction lead to loyalty, quality work and increased

retention ratios. Employee satisfaction is a measure of how happy workers are with their jobs and working environment. Employee satisfaction affects employee behavior. Motivated employees will work effectively and efficiently to satisfy customer needs, increased understanding of tasks to be performed and higher levels of job satisfaction and organization commitment. This is in line with psychological contract and psychological empowerment theory; for satisfaction to be high promises and expectations have to be met, any contrary perception leads to psychological contract violation which can have negative repercussions.

The current study also concurred with studies carried out by Bowen and Lawler (1992). The study carried out at Federal Express in USA established that employee empowerment influences organizational performance. Similar studies done by Carlzon (1989) in Scandinavian Airlines further corroborated that empowerment enhances employee performance.

In the higher education sector, findings from a study carried out by Ahadi (2011) in higher education further confirms that psychological empowerment in higher education context especially in the universities is an important factor which improves work outcome behavior especially for the academic staff in the institutions. Boonyarit et al (2010) in their study on teachers in Thailand public schools supported the findings of the current study. In the said study it was established that teachers' perception of structural and psychological empowerment had effect on their performance.

Armstrong and Laschinger (2005) argue that empowerment structural factors of access to information, opportunity to learn and growth, and support is statistically and positively related to performance. Their findings were based on research carried out in a hospital in Canada (Magnet Hospital) where a study was conducted on nurses' patient care and nurses' burnout. The results of the said study concluded that there was strong and direct relationship between employee empowerment and organizational performance.

However the findings of this study contradict those by Clutterbuck and Kernaghan (1994) who found that despite the depicted benefits of empowerment, employee empowerment has no effect on organizational performance. This could be attributed to the unwillingness

of managers to empower their subordinates. The managers fear to lose control, fear of anarchy, personal insecurity, lack of skills, decision making and problem solving are embedded in the managers mind.

The findings of this study further contradict the findings by Harley (1999). Harley's (1990) study done in Australian Workplace Industrial Relations Survey of 1995, found no evidence of increased employee autonomy and increased performance from empowerment schemes. Other critics of empowerment (Cunningham et al., 1996; Legge, 1995) have suggested that there is little evidence that empowerment provide workers with increased power or influence their performance.

The findings on the relationship between employee empowerment and revenue growth were positive and significant. The results revealed that employee empowerment explains only 3.8% ($R^2 = .038$) and the model was statistically significant ($F=20.276$, $p\text{-value} < .001$). From the studies, the beta coefficient of revenue growth was ($\beta = -2.363$, $p < .001$) as reported earlier. However the relationship between empowerment and revenue growth was negative. This result can be interpreted to mean that even if employees are empowered it does not directly translate into revenue growth. Revenue growth could be as result of combination of other factors such as increased student enrollment, grants for research, and increase in income generating activities in the universities.

Employee empowerment is seen as 'soft' human resource management orientation which gives employees autonomy; this in turn motivates them to do their work. This therefore explains why employee empowerment is a strong and significant effect on financial and non-financial performance. As hypothesized that employee empowerment has an influence on organizational performance, the results were statistically significant as such it can be inferred that as employee empowerment increases non-financial performance increases.

4.7.2 The Influence of Employee Empowerment and Performance is Mediated by Job-Related Attitudes

This study established that the influence of employee empowerment on both financial and non-financial performance is not mediated by job-related attitudes. Using stepwise

regression analysis the study revealed that 40.7% ($R^2=.407$ $p\text{-value}<.001$) of the variation in the job-related attitudes is explained by employee empowerment. The $F=327.353$, $t=18.093$, $\beta=.718$, $p< 0.05$ was statistically significant. Job-related attitudes explained 12.1% ($R^2=.121$, $p<0.01$) variation in non-financial performance as explained in Table 4.37; and 3.8% ($R^2=.380$, $p<0.01$) variation in revenue growth. As discussed earlier the hypothesis two was not supported. The results revealed there was no mediation effect.

This findings support the results of the study by Laschinger et al (1997). The said study found that empowerment had strong relationship with performance. The said study found that success to empowerment structures and control over nursing practices together accounted for 51% of organizational performance. Other results found that autonomy was significantly related to job satisfaction, organization commitment and intent to stay on the job. The results are in line with Kanter's Theory of Structural Empowerment. The findings support Kanter's (1983) contention that work empowerment is associated with employee involvement in decision making, access to information and increased performance.

The findings further corroborate the study by Kim (2013), on employee empowerment and job satisfaction in public sector. Job satisfaction arises due to employees being involved in decision making. It results from training and development to advance skills, being given challenging work and sustaining good employee relations. The study established that employee empowerment is related to a variety of work attitudes and behaviors which include job satisfaction, innovativeness, organization commitment and retention (Kim, 2013). The current study is consistent with findings obtained by Fernandes and Moldogaziev (2011). The study found positive and significant relationship between employee empowerment and job-related attitudes in public sector.

Other studies established that the extent to which management is perceived to be receptive to employees' ideas is associated with affective commitment (Allen and Meyer, 1990). The authors found that participation in decision-making strongly correlated with job satisfaction, affective commitment, and autonomy. However they further noted that although employees' contribution to decisions affecting their work improved their ability to be effective, it also added to their workload. Further literature suggest that the

individuals become committed to the organization for a variety of reasons including an affective attachment to the values of the organization, a realization of the cost of leaving and a sense of obligation to the organization Meyer and Allen (1997).

Studies by Meyer and Allen (1997) confirm that there is a positive relationship between commitment and performance. Commitment is indicated by low turnover and perceived positive support of the organization. This is shown through proper structures, strategies, leadership and organizational culture. Respondents in the current study indicated that they prefer their current institutions to others and have intention to stay (mean=3.18, SD=.974). Maintenance of the relationship with the university is seen as the most important aspect to commitment. The study is in line with Meyer and Allen (1990) study that postulates that staff may stay in an organization because they like it (affective), or they feel obliged (normative conformity) or they have a good reason for the commitment (rational choice).

Findings obtained from Namasivayam and Zhao, (2007) study confirms that job satisfaction was found to be an antecedent of organization commitment and it is positively correlated to organization commitment. The authors further allude to the fact that affective commitment has a stronger direct effect on job satisfaction than normative commitment. Job satisfaction was found to account for greater variance in organization commitment (Lambert, 2004). Overall results confirmed that employee empowerment has impact on job satisfaction and organization commitment as confirmed by the current study. However as reported earlier in the chapter the findings obtained from the current study concluded that there was no mediation effect of job-related attitudes on the influence of employee empowerment on organizational performance.

Notwithstanding the results discussed above, some authors have found that empowerment effect on organizational commitment is inconclusive. Chen and Chen (2008) and Robert et al., (2000) Humborstad (2011) conducted a study in India and Taiwan and found that some factors of empowerment correlated positively to organization commitment and others were negatively correlated. Some managers might perceive and accept empowerment to be a motivating factor of the human resource while others might find it very difficult because of their traditional norms. Empowerment can bring conflicts with

traditional hierarchical and managerial rules. Humborstad (2011) contends that empowerment in the west has positive effects, but in the east in countries like China it does not seem to fit very well. The author explains these inconsistencies are due to the phenomenon of power distance.

Other empirical researchers have argued that job-related attitudes through empowerment could affect turnover intentions. Job-related attitude is a psychological response to specific organizational conditions which can lead to turnover. For example today, universities are experiencing a high turnover of staff due to rapid changes taking place. Some of the changes affecting the universities include: rapid expansion, high student enrollment, competition to name a few. For example total student enrollment in public universities in 2009 was 123,000; in 2012 the number has more than doubled (Appendix 5). This translates to greater workload, teaching larger classes while using limited resources. Competition from newly chartered universities and private chartered universities is another factor. The issue of migrating to other countries and other government agencies leading to brain drain is a serious challenge. Low morale evidenced by numerous strikes due to low compensation as compared to other sectors such as energy, finance, and revenue collection. Further there is little room for research due to lack in some instances of facilitation among others. These institutions have tended to use part time workers especially in academic area. As such adoption of employee empowerment is critical for it has significant relationship with job-related attitudes. Researchers (Iaffaldano and Muchinsky, 1985; Vroom, 1966) confirm job satisfaction and organizational performance relationship.

Viewed against the pertinent results, the picture is clarified. It was observed that job-related attitudes have a positive and significant impact on performance. Job satisfaction can actually be seen as a subset of employee empowerment. Job satisfaction is an indicator of organizational effectiveness and performance, and it influences organization commitment. It becomes clear that job-related attitudes are indeed part of employee empowerment especially at initial stages.

4.7.3 The Influence of Employee Empowerment on Organizational Performance is Moderated by Institutional Factors

As noted earlier in this chapter influence of employee empowerment on financial and non-financial performance is statistically significant. This relationship is moderated by institutional factors. The moderating effect of institutional factors was tested using stepwise regression analysis. Significant relationships were found between employee empowerment and non-financial performance and employee empowerment and revenue growth. The data supported the moderation effect of institutional factors on the influence of employee empowerment and organizational performance. The adjusted R squared increased from .286 to .342, which implied moderation effect.

The findings of the study showed that employee empowerment has a statistically significant influence on non-financial performance ($F=190.353$ $\beta=.858$, $t=13.797$, $p<.005$), has statistically insignificant influence on customer satisfaction ($F=1.654$, $p>0.05$, $\beta=.057$, $t=1.286$ $p>.005$), has statistically insignificant influence on employee satisfaction ($F=.011$, $p>0.05$, $\beta=-.005$, $t=-.104$, $p>.005$) and statistically significant influence on financial performance- revenue growth ($F=20.276$ $\beta=-2.363$, $t=-4.503$, $p<.005$). From the findings it is evident that all the criteria for moderation were met. The influence of the independent variable and the moderator were significant in the model (p -value $<.001$ in both cases). The interaction term was also statistically significant ($\beta= -.018$, $t=-3.169$, $p<0.05$). The findings thus supported the hypothesis. The findings are in line with extant literature.

These findings support the results of the study by Yazdani et al., (2011). The study emphasized that it is important to have a clear vision, objectives and clear direction both to the employees and the organization as a whole. Organization strategy entails specifying the universities vision and mission, developing policies and plans and allocating of resources to implement the empowerment programs. There is need to involve the employees in the process of strategy planning and formulation. A clearly communicated strategy is all inclusive. The said study established that strategy has impact on the relationship between employee empowerment and performance.

Further studies by Lorsch et al (1973) revealed that highly centralized structures can lead to bureaucracy which can have negative impact especially in view of the changing environment organizations operate in. Rather than trying to control employees they should be given mandate and discretion to carry out their work. Employees who feel like their contributions are not valued sometimes will experience feelings of discontent and less empowerment. This study's findings revealed that having decentralized structures was preferred to having centralized structures in the public universities. The respondents in the study indicated that power in the universities is highly centralized at the top (mean=4.05, SD=2.958) which means in the majority of decisions employees are not involved or consulted (mean=4.01, SD=1.019). This type of structure is perceived by employees to be controlling and decisions can sometimes take long. This has impact on employee empowerment in the public universities.

Although literature relating to the moderating effect of institutional factors on the relationship between employee empowerment and performance is limited, it has been argued that institutional factors reinforce or determine the success of empowerment programs. Studies by Schein (2004) posited that organization culture (which is part of institutional factors) may determine or hinder organization success. Culture exerts a strong influence on behavior of employees and work related attitudes of job satisfaction and organization commitment (Yazdani et al., 2011). When employees are involved in decision-making they develop a sense of ownership and take responsibility and hence become accountable for their actions. Specifically this provides employees with greater goal and motivation that makes them willing to go an extra mile in performing their roles. Further organizations that allow participative culture create a positive working environment which facilitates creativity, innovation and flexibility by employees. This in turn leads to employee autonomy have positive effects on the organizational performance.

On the other hand, a rigid and autocratic culture inhibits employees the ability to be creative and innovative thus lowering their morale or quality of work life and a barrier to performance. The result of this study therefore supports the existing body of literature on influence of organization culture on performance. This study measured culture using

modified involvement scale measures; which looks at the extent of employee participation in organizations decisions. This is in line with the proposal by Glasser, Hacker and Zamano (1987) who introduced six measures of organization culture. These dimensions include employees' perception of teamwork, morale, information flow, involvement, supervision and quality of meetings.

The relevant literature provides evidence which have addressed the importance of cultural values in explaining the organizational, managerial and individual aspects in organizational life. There is a growing recognition that organization culture actually exerts strong influence on performance (Ahadi, 2012). Further organization culture plays a critical role in motivating the staff for it creates commitment among the workers which is an empowerment outcome. Ahadi (2011) contends that one way to induce and maintain high work motivation and positive attitude is participation. As such public universities have to increase participatory culture in the institutions to enhance empowerment and performance. The organization culture helps in internalizing the process and support and once it is understood then it leads to more commitment and performance. The norms and values of organization based upon different cultures influence the staff. The revenue growth in an organization motivates them and helps to enhance the performance of the employees.

Previous studies seeking to establish the moderating effect of institutional factors received mixed results. Monari (2013); Kandie (2009) established that organizational leadership provided significant moderating effect on linking empowerment and performance. Leaders who articulate the importance of having an aligned vision can receive positive support. Organizational goals must be aligned with the vision of the organization.

Other studies have indicated that organizational leadership exerts effects on employee attitude and behavior (Bass 1999). A study conducted by Boonyarit et al (2010) in public schools in Thailand revealed that perceived leadership towards managers was positively related to psychological empowerment and further confirmed that teachers' perception of empowerment was predicted by transformational leadership. Leaders who articulate the importance of organizations having an aligned strategy and structure can receive positive

work output from their staff. As such transformational leadership style affects employee empowerment. Bonyaati et al (2010) further established that there is a relationship between leadership and structural and psychological empowerment. Positive leadership leads to psychological empowerment and when employees feel there is management support performance increase.

Further, Drucker (1994) posited that a manager does not handle people but they motivate, guide and organize them to accomplish their goals and that their effectiveness depends on how their leader communicates to them and give them direction As such the university heads must motivate and have good communication with staff from all cadres. On the other hand employees who recognize the importance of being aligned to the goals and objectives of the organization will increase their value by enhancing their productivity and reducing waste. Transactional leadership was characterized by contingent reward behavior and exchange; while transformational leadership is more likely to share and delegate power with employees and involving them in decision making than the transactional leaders. Bass (1999) confirm that effective leadership acts through empowering employees to engage them and improve work performance.

The results of this study confirm previous studies that have organization strategy aligned with their structures and leadership styles being considered as one of the most important components in increasing performance (Wilkinson, 1998) as such they influence the relationship between employee empowerment and performance. These components of institutional factors moderate the relationship between employee empowerment and organizational performance. When leaders involve staff in propelling the organization forward, it builds synergy and commitment at all levels. By fostering participative culture employees are engaged to deliver quality service and achieving universities goals.

From the literature and empirical evidence it is clear that studies on empowerment and performance concluded that when employees are empowered, and institutional factors are in place organizational productivity increases. One of the major findings of this study is that a significant relationship exists between institutional factors and performance. Transformational and transactional leadership, strategy, structure and culture had a positive effect on performance and the results were significant. The hypothesis was

therefore supported that institutional factors moderated the influence of employee empowerment on performance of public universities in Kenya.

4.7.4 Joint Effect of Employee Empowerment, Job-related Attitudes, and Institutional Factors on Performance

Objective four of the study was designed to determine the relative importance of joint effect. The joint effect is the combined effect of employee empowerment, institutional factors and job-related attitudes on performance. The study found that the joint effect of the variables on non-financial and financial performance was greater than that of the individual variables. The study found that the predictors had varied effects on organization non-financial and financial performance. The effect of employee empowerment on performance was positive. The regression coefficient was statistically significant $R^2=.286$, $p < .001$. The results showed R^2 values improved when all the variables were regressed on performance (Δ change in $R^2 = .329; .002; .002$). The findings of the study were reported in Table 4.48 and 4.49. The results revealed that the joint effect of employee empowerment, job-related attitudes and institutional factors as evidenced in the model was greater than the individual effects of the variables. This is true when the comparison is done of the individual variables contribution as discussed earlier in the chapter. Thus the hypothesis which stated that the joint effect of employee empowerment, job-related attitudes and institutional factors being significantly greater than the individual effect on performance of public universities in Kenya is thus confirmed.

The findings of this study are consistent with other scholars (Monari (2013); Omari (2012); Letting 2008; Munyoki, 2007). Those previous studies established that the joint effect of variables is greater than the individual variables on the dependent variable. Employee empowerment, institutional factors, job-related attitudes effect on performance was greater than the effect of individual variables. The findings concur with Munjuri (2013) who found that performance is not derived from a single factor but from a combination of factors that complement and reinforce each other.

The individual effect of job-related attitudes on performance is an indication that job-related attitudes are a relatively strong predictor of performance. Studies done by

Fernandez and Moldogazieva (2013) confirm the positive relationship between employee empowerment, job satisfaction and performance. Further the results of the study support findings by Ahadi (2011). The said study posited that in addition to employee empowerment, job-related attitudes influence performance (Ahadi 2011). Further findings by Kazlauskaite et al (2009) argued that employee empowerment is not a single dimension HR practice but requires a set of HR practices for it to succeed. However despite the positive results between employee empowerment, job-related attitudes and performance, job-related attitudes was found not to mediate the influence of employee empowerment on performance as indicated earlier in the study.

Further, the regression results on the relationship between institutional factors and organizational performance was positive and statistically significant. This result implies that with changes in higher education sector in Kenya, institutions must be conscious of their environment and move with the times. The strategy adopted, the structure and leadership style adopted must be aligned to achieve better results. Studies by Ismail et al (2009) established that the leadership style for example that will produce the best results in an organization is the one that can motivate followers to identify with the leader's vision, and strategy. The results of the said study further posited that the ability of the leader to stimulate, influence will increase empowerment of the follower's management of their jobs. Organization culture was also found to influence performance (Kumarashinge and Hoshino, 2003). The authors posited that performance in any organization is influenced by organization culture and structure adopted by that organization. Some organizational culture is group-oriented and participatory while others are individual-centred and non-participatory.

In the extant literature, no study known to the researcher has addressed the combined effect of these variables on organization performance. The results of multiple regression findings were unique to this study and are therefore a contribution to the body of knowledge. Performance was predicted by employee empowerment which explained 28.6%. Job-related attitudes and empowerment was 24.6% ($R^2=0.246$). Specifically no study has attempted to empirically examine this relationship in Kenya. The overall models remained significant on every addition of variables.

The findings of this research support therefore the existing body of knowledge in the field of human resource management. Overall the results of this study thus support and add knowledge to the extant literature on the relationships depicted in the conceptual framework in Figure 2.1. Further current study contributes to the extant literature by focusing on Kenyan institutions rather than organizations in developed countries as employed by previous studies. Archival evidence on this relationship in the developing context especially in Kenya is paucity. Therefore the finding of this study serves as reference material for future studies in the field.

4.7.5 Chapter Summary

The chapter presented the results of the key study variables. The hypotheses tests were computed in line with the objectives. The regression analysis combining simple, multiple and stepwise has brought out the kind of models the research framework was designed to capture. To bring a deeper understanding for the results coming from research interactions between variables have been analyzed. The individual parameters making up the major variables of employee empowerment and organization performance have also been regressed to find the effects they have collectively and individually. The results revealed statistically significant results at $p < 0.05$ significance level between employee empowerment and organizational performance. The mediating effect of job-related attitudes on the influence of empowerment and performance was found to be insignificant. Institutional factors were found to moderate the relationship between employee empowerment and performance. The chapter also presented the discussions of the results with theoretical and the empirical studies. This information is used to discuss the findings and inform the summary, conclusions and recommendations there in that are presented in next chapter.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The purpose of the study was to examine the relationship between institutional factors, job-related attitudes, employee empowerment and performance of Public Universities in Kenya. The chapter provides a summary of the major findings of the study, interpretations, discussion on theory and practice and conclusions based on the findings of the study and recommendations. It also presents the limitations of the study and outlines proposed areas of future research. The chapter starts with the summary of findings to highlight the major issues that were found against the research objectives. These issues produce major conclusions that can be derived from these findings.

The first objective was to determine the influence of employee empowerment on organizational performance. The second objective aimed at assessing the mediating effect of job-related attitudes on the influence of employee empowerment on organizational performance. The third objective sought to establish the moderating effect of institutional factors on the influence of employee empowerment on organizational performance. The fourth objective sought to establish the joint effect of employee empowerment, job-related attitudes, and institutional factors on performance of Public Universities in Kenya. To accomplish the objectives of the study, four hypotheses were developed and tested and the findings presented.

5.2 Summary of the Findings

The purpose of this study was to determine the influence of institutional factors and job-related attitudes on the influence of employee empowerment and performance of Public Universities in Kenya. Four hypotheses were developed and four objectives addressed. Data was collected from the field and was presented through descriptive statistics along the main variables of the study. The data was obtained from various respondents who work in the public universities in Kenya. The instrument had items that were developed from other studies, which were modified to fit the current scenario. Hypotheses were

tested using inferential statistics namely: simple, multiple and stepwise regression. Simple linear regression was employed to determine the effect of employee empowerment (involvement in decision making, autonomy, training and development, access to information and management support) on performance of Public Universities in Kenya. Stepwise regression analysis was performed to determine whether job-related attitudes had a mediating effect on the relationship between employee empowerment and performance on Public Universities in Kenya. Stepwise was performed to determine whether institutional factors had a moderating effect on the relationship between employee empowerment and performance of Public Universities in Kenya. Multiple regression analysis was employed to determine whether combined effect of employee empowerment, institutional factors, and job-related attitude was greater than the isolated individual effects on measure of organizational performance. The financial indicator used was revenue growth in view, that the public universities are non-profit making organizations and are part or fully funded by the Government of Kenya.

Following on theoretical and empirical literature review a conceptual model was developed for the study. This study departed from previous studies by looking at the combined effect of employee empowerment, job-related attitudes and institutional factors on performance. The conceptual model linked employee empowerment variables to organizational performance. Hypotheses were developed concerning the relationships between these variables with specific reference to the Public Universities in Kenya. A questionnaire was developed to measure the variables. Public universities in Kenya were targeted and the data collected was used to test the hypotheses using several statistical approaches. The results from the analysis of the study supported three hypotheses as stated in the study. The study confirmed that employee empowerment has an effect on organizational performance. The study used the proposed theories of empowerment, psychological and structural empowerment and institutional theory. The theories based their arguments on the need to attain legitimacy. Empirical work had shown that in psychological empowerment, organization commitment is shown by employees who are emotionally attached to their organization. These employees are more likely to exceed performance standards because they are psychologically motivated and work out of their volition rather than due to external force.

Table 5.1 below outlines the objectives and corresponding hypotheses that guided the study, the type of analysis and the interpretation of the results are also shown. Statistical tools used were linear and multiple regressions.

Summary of Tests of the Research Objectives, Hypotheses and Results

Table 5.1 Summary of Research Objectives, Hypotheses and Results

Objectives	Hypothesis	Results Level of Significance (p-value)	Remarks
Objective 1: Employee empowerment influences organization performance in public universities in Kenya	H1: Employee empowerment influences organization performance	$R^2=.286$, $p<.001$ $\beta=.858$, $t=13.797$, $p<.001$ $F=190.353$	Confirmed
Objective 2: Determine the mediating effect of Job-related attitudes on the influence of employee empowerment on organizational performance	H2: The influence of employee empowerment on organizational performance is mediated by job-related attitudes	$R^2=.407$, $p<.001$, $\beta=.007$ $p>0.05$; $t=.088$	Not Confirmed
Objective 3: Determine the moderating effect of institutional factors on the influence of employee empowerment on organizational performance	H3: The influence of employee empowerment on organization performance is statistically and significantly moderated by institutional factors	$R^2=.331$, $\beta=.858$, $p<.001$ $t=-3.169$ $F=79.138$	Confirmed
Objective 4: Establish the joint effect of employee empowerment, job-related attitudes, and institutional factors on organizational performance	H4: The joint effect of the employee empowerment, job-related attitudes, and institutional factors is significantly greater than the sum of the effects of individual variables on organizational performance	$R^2=.329$; $R^2=.330$; $R^2=.334$ ΔR^2 change=.002; ΔR^2 change=.003 $\beta=.548$, $p=.000$; $\beta=.119$, $p=.124$; $\beta=-.091$, $p>0.05$ $t=8.463$, $p<.001$ $t=1.540$, $p<0.05$ $t=-1.254$, $p>0.05$	Confirmed

Source: Researcher (2014)

As shown in the Table 5.1 the study had four objectives and four hypotheses that were tested. The result show statistically significant positive relationships between employee empowerment and organizational performance, institutional factors and job-related attitudes. The results revealed that the intuitional factors moderated the influence of

employee empowerment on organizational performance. Job-related attitudes results revealed that there was no mediation effect on the influence of employee empowerment on organizational performance. As predicted hypotheses H1, H3, H4 were supported. However the results for H2 were statistically insignificant hence not supported.

The findings of the study contribute to better understanding of the human resource in higher education. In summary we can safely conclude that employee empowerment has significant influence on performance of Public Universities in Kenya.

Higher education has been experiencing tremendous changes in Kenya for the last 15 years. The management of the universities has undergone changes culminating in introduction of performance contracting in the universities and other public corporations in Kenya. Secondly the universities which had been chartered using individual bills were now consolidated into one Universities Act of 2012. Some of the universities had to be audited afresh for accreditation. Thirdly for the last couple of years there have been several changes in the education sector such as introduction of free primary education and subsidized secondary education. The student enrollment in the universities has more than doubled leading to staff stress, burnout, and stretched resources. Fourthly the universities are expected to provide manpower for the achievement of Kenya Vision 2030. Fifthly in view of government financial constrains the universities have been encouraged to source for other means of funding and engage more in income generating activities. They are supposed to come up with more innovative and creative income generating ideas and programs. The study was undertaken on the backdrop of all these changes taking place in the public sector. The assumption in this research was that employee empowerment has a role in influencing performance in view of making the workforce in the universities to be more versatile and equipped to cope with changes.

The findings of this study confirm expectations from the literature reviewed but largely they are significantly new as this the first time the study is being conducted in a developing country context and in public universities. Findings that confirm expectations from the literature in this study shall be called advances on previous research. The results indicated that there were strong or moderately strong correlation among the variables,

factors making up the variables, and factors across the variables. The summary of the findings is given under the corresponding objective.

5.2.1 Influence of Employee Empowerment on Organization Performance

The first objective of this study was set out to determine the extent to which employee empowerment influences performance of Public Universities in Kenya. Employee empowerment had five dimensions namely: involvement in decision-making, autonomy, training and development, access to information and management support. To address objective one Hypothesis one was formulated the influence of employee empowerment on organizational performance. Both financial and non-financial measures were used.

To test the first hypothesis, a composite index was calculated of all the dimensions of empowerment and non-financial performance measures. The results were regressed on non-financial performance and financial performance (revenue growth). The findings showed that employee empowerment had statistically significant influence on non-financial performance. The results revealed that 28.6% of variation in non-financial performance is explained by employee empowerment and 3.8% of variation in revenue growth is explained by employee empowerment. The study found positive and significant relationship between employee empowerment and performance. From the findings hypothesis one was supported. The results were strong, positive and statistically significant at $p < 0.05$. These results in general support the fact that application of employee empowerment strategies is a key to effective organizational performance. As the institutions increase the use of employee empowerment, performance improves positively. Theoretical and past research evidence lends support to these findings (Chen, 2011; Menon, 2001; Spreitzer, 1995; Thomas and Velthouse, 1990). The researchers confirmed that there is significant correlation between dimensions of empowerment and performance. When employees are empowered by being given autonomy, opportunities for growth, involvement in decision making, their performance improves and they behave as desired.

The descriptive statistics revealed that involvement in decision making had the highest mean score. This implies that employees need to have a voice in what is happening in the university not only at departmental level but in the overall strategic decisions affecting the institution. When employees are engaged then the institution reaps the benefits of empowerment. When employees have a greater sense of empowerment to do their jobs they develop greater sense of loyalty and commitment to the institutions. The study suggested that universities need to be innovative to be able to cope with turbulent and competitive environment.

These findings are essential because employee autonomy and involvement in decision making plays a key role in influencing performance. The study indicate aggregate mean for employee empowerment was =3.048. The findings concur with other similar studies which confirmed that as employees are empowered and assume more responsibility they must be given authority to make decisions. The most successful adoptions of empowerment have to entail significant changes in the way the universities think, more innovative thinking should be encouraged.

Employee satisfaction though insignificant was found in other studies to be an important factor in any organizations, for it reduces turnover cycle. Turnover increases costs in the organization. Employees who have a high degree of satisfaction toward the organization tend to be more productive and loyal. When there are high levels of job satisfaction it is indicated by employee commitment and loyalty to the organization. Employee empowerment is directly related to job satisfaction and organization commitment. The study revealed that ($R^2=.407$) of job-related attitudes was explained by employee empowerment.

The process of empowerment helps employees realize their full potential at the same time provide solution to problems of management. This is in line with studies carried out among bank workers in Australia by Geralis and Terzioviski (2003). The said study confirmed that when empowerment is implemented it is related with greater employee well-being, productivity, performance and service quality.

In support of the current findings a study done by Ahadi (2011) confirmed structural and psychological empowerment has impact on staff in academic institutions. It improves their skills, and increase in professional growth through this they accomplish the mission and goals of the universities. The investment in employee development is important for universities. When Kenyan universities emphasize HR practices that focus on empowering employees, enhancing their growth and development this is an indication of the value these organizations attach on their employees and need to meet challenges in the turbulent environment. In addition training and development programs enhance the skills and behaviors of employees in a way that impacts on the productivity of the university. Organizations that do well, invest in human resource development schemes unlike those who do not. The study therefore concluded that embracing empowerment in the universities is important in that it enhances the workforce performance.

5.2.2 The Influence of Employee Empowerment on Performance is Mediated by Job-Related Attitudes

The second hypothesis stated that the influence of employee empowerment on performance is mediated by job-related attitudes. The mediating effect of job related attitude on the employee empowerment and organization performance relationship was not supported. The mediating effect was tested and it was found to be insignificant. The evidence showed that there was no mediation of job-related attitudes on the relationship between employee empowerment and organization performance. The hypothesis was not supported. The results suggested that the job-related attitudes do not play a significant role in influencing this relationship; however there was a positive relationship between employee empowerment and job-related attitudes.

The positive and statistically significant relationship between employee empowerment and job-related attitudes and organizational performance is further supported by Kim (2013). Employees can be influenced by use of effective human resource practices including motivation in both financial and non-financial aspects of the organization. Managers should encourage employees and interact with them both on rational and emotional basis. This will lead to job satisfaction and employees will be motivated.

However other studies (Wong and Laschinger 2012; Viacharakiat 2008; Seibert et al 2004) contend that employee empowerment have significant influence on job-related attitudes. Some dimensions of employee empowerment were positively correlated with organization commitment. Significant predictor of job satisfaction was found to be structural empowerment. As such employees who work in institutions that provide staff development and opportunities, management support and resources, and access to information are likely to work better and have intent to stay in the universities.

According to Baron and Kenny (1986) the dependent variable employee empowerment must be statistically and significantly related to the mediating variable for full mediation to take place. In this study employee empowerment was significant predictor of job-related attitudes, thus the results showed no mediating effect by job-related attitudes on influence of employee empowerment and organizational performance. The results for financial measures yielded insignificant results as such did not meet the criteria for further investigation.

5.2.3 The Influence of Employee Empowerment on Performance is Moderated by Institutional Factors

The third objective was to determine the moderating role of institutional factors on the influence of employee empowerment and performance. The institutional factors variables considered were strategy, structure, and organization culture and leadership styles. Strategy referred to involvement of staff in the strategic planning process and if there is clear direction goals and direction, while structure was centralized or decentralization of power, culture was participative and non-participative and leadership was transactional and transformational leadership. The moderating effect was analyzed using stepwise multiple regression technique and the change in R^2 was noted in each model as the variables were removed or added. The findings indicate that institutional factors moderated the relationship between employee empowerment and non-financial performance. However in the test on moderation on revenue growth there was no moderation for the results yielded insignificant results. The correlation and regression analysis were performed and the results show that most variables had significant relationship. They had positive betas thus support for the hypothesis three.

From the results of the present study there is clear demonstration that a highly centralized structure existed within universities. The public universities have been found to be complex in nature highly centralized with clearly defined rules limiting employee autonomy on their work and involvement in decision making process. Only a few of the universities have decentralized structures, and this is found mostly at the departmental level.

The findings of the current study have revealed statistically significant relationships between the components of institutional factors. The findings imply that institutional factors play a critical role in determining the performance of the universities. Leadership style adopted by the management has impact on the relationship between employee empowerment and performance. The leader is supposed to provide clear vision and direction of where the organization is heading to. The findings of the study further reveal that if employees are involved in strategy making process they will own the whole process of strategy formulation and implementation. This makes it easier for management to implement any new strategies, for the employees are ready to and prepared to take on new responsibility. Further the results have shown that institutional factors can break or make an organization.

The study supports existing body of knowledge on the role of involving employees in planning and articulating the strategy in the universities. The organization structures should be enabling, the leadership style inspirational and encourage empowerment culture. These factors play a critical role in organizational performance. Studies reveal that positive culture is very important in an academic environment, for academics are greatly affected by the kind of institution in which they work (Ahadi 2011; Hamidifar 2009).

The findings concur with Robbin (1990) study, who found that organization structures have moderating effect on the relationship between employee empowerment and organizational performance. In his study Robbin (1990) found that the structure of an organization is not isomorphic with its control system and that structure is related to control. Government institutions tend to have many levels of hierarchy and many divisions which lead them to develop more complex measures of output. This study is in

line with Burns and Stalker (1961) who found that complex organizations tend to have more homogeneous tasks within departments which increases the supervisory efficiency of the managers and decreases the need for complete measures of output. Structures whether centralized or decentralized can optimize performance, hence providing much support in the current study.

5.2.4 Joint Effect of Employee Empowerment, Job-Related Attitudes, and Institutional Factors on Performance is Greater than the Individual Independent Mediating and Moderating Variables

Hypothesis four tested for the overall joint effect of independent mediating and moderating variables on performance. In conclusion the test of hypothesis four which sought to establish the overall joint effect of the institutional factors on the relationship between employee empowerment and performance revealed that the joint effect of the independent variable and moderating effect and mediating effect was greater than the effect of the individual variables acting alone on the relationship.

The results indicated the overarching importance of considering the influence of employee empowerment on performance rather than considering isolated variables. On the influence of employee empowerment on financial performance, results indicated 3.8% contribution of the variation in revenue growth was explained by employee empowerment. Regarding the joint effect of the independent, mediating and moderating variables on performance, the results confirmed that the combined effect was greater than the individual effect on performance. Employee empowerment had the highest contribution; institutional factors and job related attitudes contributed ($R^2 = .330$; $R^2 = .334$ ΔR^2 change=.002; ΔR^2 change=.003) respectively. Institutional factors significantly moderated the relationship between employee empowerment and performance of Public Universities in Kenya. As such this confirms the joint effect has greater contribution than the individual variables.

The findings in the previous chapter four indicated that respondents were committed to their organizations. Respondent's perception on employee empowerment was varied, as some felt there was no autonomy or involvement in decision making except at

departmental level. As such it is important that the universities enhance process of decision making to include employee opinions and this should be acknowledged.

Some of the findings from the current research do confirm expectations from the literature reviewed and empirical evidence provided however some of the findings are new as this is the first time the study is being conducted in Kenyan context. Findings that confirm expectations from the previous studies shall be called advances on previous research, the new ones will be called contribution to the study. Based on the research findings it was confirmed that indeed employee empowerment is a critical factor in performance of employees in organizations.

From the discussions and findings it is clear that employee empowerment alone is not enough to achieve maximum performance. The findings also revealed that there is interaction effect between employee empowerment and job-related attitudes, employee empowerment and institutional factors. Aligning employee empowerment and the moderating variable enhances performance. In practice this means that in order to understand fully the influence of employee empowerment on organization performance the moderating variable should be included. Upon reflection this result makes sense considering the fact that most studies have just looked at the direct relationship between employee empowerment and organizational performance. Organizations which fail to align these variables together then will not perform effectively. There has been considerable debate about the importance of fit between the context in which an organization is operating and which strategies and practices are most effective (Pfeffer 1994). Huselid (1995) suggested that depending on the context different systems of human resource management can be adopted effectively.

5.3 Conclusions

This section presented the conclusion of the study in the context of the literature review and the findings. The conclusions are made in line with the objectives and hypotheses of the study. The research had four objectives: the influence of employee empowerment on performance of public universities in Kenya; the influence of employee empowerment on organizational performance is mediated by job-related attitudes; the influence of

employee empowerment on organizational performance is moderated by institutional factors, and fourthly the joint effect of employee empowerment, job-related attitudes and institutional factors is greater than the individual effect of the variables. These objectives were developed after reviewing the literature and four hypotheses were developed. The hypotheses were accepted or rejected based on the levels of significance of the various statistical tests.

5.3.1 Influence of Employee Empowerment and Organizational Performance

Objective one of the study was to find out the influence of employee empowerment on organizational performance. This objective gave rise to hypothesis one. To establish this simple linear relationship regression analysis was done.

The results evidently indicated a strong relationship between employee empowerment and organizational performance. The study also found statistically significant influence of employee empowerment on organizational performance. The results show that empowerment plays a critical role in influencing performance in the organization. Of particular importance is that the study showed aggregated mean of employee empowerment was 3.048, which imply that there is a general feeling in the public universities that there is some element of empowerment. From the findings of the first hypothesis it would be safe to conclude that employee empowerment has a positive effect on performance in public universities in Kenya. It would be of importance if institutions would enhance their empowerment function and align them to human resource strategy and organization structure to enhance performance.

These observations reinforced the findings of previous studies on the effect of empowerment, such as the study by Menon (2001); which posited that improved performance depends on how strategically the human resources is valued and encouraged to participate in decision making process. The results also are consisted with Spreitzers' (1995) theoretical suggestion that employee empowerment influences performance. However, these findings were contrary to Lawler et al (2001) study which reported no significant influence of empowerment-oriented practices in the organizations studied. Moreover those who introduced empowerment found it challenging to build genuine employee empowerment practices.

The results of the findings imply that the universities should direct their attention to meeting employees needs such as: creating empowering environment, more management support, access to information, investing more training and development, participation in decision making, inspiring leadership, involvement in strategic planning and enabling structures leading to job satisfaction and organization commitment. Empowerment is significant and vital to job satisfaction. The management of the universities must further empower their employees not only at departmental level, but university wide by investing greater resources in promoting policies that will enhance employee empowerment. These will lead to greater achievement of organizational objectives. When individual and teams are empowered through sharing information, and resources, it results to better performance. We can therefore conclude that implementation of empowerment strategies will contribute positively performance; as such employee empowerment has significant influence on performance in public universities in Kenya. Therefore well designed empowerment programs can promote employee engagement and enhance commitment culture in the universities.

5.3.2 Mediating Role of Job-Related Attitudes on the Influence of Employee Empowerment on Organizational Performance

The second objective and hypothesis two was to find out if job-related attitudes mediated the influence of employee empowerment on organizational performance. Job-related attitudes and empowerment were directly correlated, and the results were statistically significant. The findings obtained imply that empowerment should lead to enhanced job-related attitudes which in turn will lead to greater performance of employees in the public universities. The results of the findings of the study revealed that the influence of employee empowerment and organization performance was not mediated by job-related attitudes contrary to other previous findings. However, on further analysis although not included in the conceptual framework and hypotheses it was found that employee empowerment mediated the relationship between job-related attitudes and organizational performance. This is a reverse of what was predicted. The employee empowerment principles of decision making, training and development, management support had the strongest impact on organizational performance. Based on the findings of the study the

second hypothesis was not confirmed. Therefore there is no mediation effect of job-related attitudes on the relationship between employee empowerment and organizational performance.

Employee empowerment dimensions have varied impact on performance. To that end the emphasis of empowerment programs should be incremental. On level of importance, involvement in decision making was the most important factor. The other conclusion that can be inferred from the findings is that employee empowerment has not been entrenched in the management processes in the university. This has the effect of reducing employee motivation in higher education. This is evidenced by numerous industrial actions which have taken place the last couple of years, quality of services offered and staff mobility. Most of the universities are also overstretched with increased demand for higher education, which is evidence by increased student enrolment in the universities. As such, for there to be job satisfaction and organization commitment the environment has to be conducive and supportive of the staff, which will lead to increased productivity and employee retention. Employees who are satisfied with their jobs will engage in their work with greater interest (Saif & Saleh, 2013). Literature on employee empowerment reveal that empowerment give rise to organizational commitment (Kim, 2002; Spreitzer and Mishra 2002), motivates employees thus leading to enhanced performance. Empowerment has significant influence on job satisfaction. When employees perceive themselves as empowered, they perform their jobs effectively, there is a sense of autonomy and they feel happy and proud about their jobs.

5.3.3 Moderating role of Institutional Factors on the Influence of Employee Empowerment on Organizational Performance

The third objective was to determine the moderating role of institutional factors on the influence of employee empowerment and organizational performance in public universities in Kenya. From the objective a hypothesis was formulated as discussed earlier. The moderating role was analyzed by use of stepwise multiple regression the R squared and change in R squared was noted as the variables were removed or added in the model. The findings indicate that institutional factors moderated the relationship between employee empowerment and organizational performance.

At the same time findings indicated that employee empowerment has a positive and significant correlation with institutional factors. These findings help the study to conclude that in an organization that has proper structures, forward looking strategies, and transformational leadership fosters an empowerment culture. This leads to job satisfaction and organization commitment. An involvement culture has significant effect on the performance of universities.

Institutional factors were found to positively and significantly moderate the influence of employee empowerment and performance. This was confirmed further by the moderating role of institutional factors interaction effect of employee empowerment and institutional factors which showed that the strength of the relationship between employee empowerment and performance was reduced. This implies a moderating effect on the influence of employee empowerment and performance of Public Universities in Kenya

It is therefore reasonable to conclude from the empirical evidence adduced in the study that employee empowerment influence performance and this influence is moderated by institutional factors in Public Universities in Kenya. Based on the findings of the study the third hypothesis was confirmed.

5.3.4 The Joint effect of Employee Empowerment, Job-Related Attitudes and Institutional Factors on Organizational Performance

Objective four sought to establish the joint effect of employee empowerment, job-related attitudes and institutional factors being significantly greater than the effect of each individual variable on performance of public universities in Kenya. The hypothesis was confirmed, no previous studies had looked at this relationship and this is therefore a contribution to the body of knowledge. The findings in this study have practical implications for theory and managerial practice in human resource discipline. Further, the findings of the combined effect of employee empowerment, institutional factors, and job-related attitudes were positive and statistically significant. This suggests that the influence of combined variables on performance is stronger than the individual effect of each variable, thus confirming hypothesis four of the study.

The findings of the study concluded that in order to maximize on the contribution of empowerment practices the right institutional factors must be in place. It is imperative that the managers of universities implement the empowerment programs properly as they add more weight in influencing performance. The findings of hypothesis four have contributed to the overall outcomes of the study as no other previous studies have studied this relationship.

The results from the study indicate that the two hypotheses regarding the influence of employee empowerment on organizational performance (H1) were statistically significant at $p < 0.05$ significance level and were therefore supported. Conversely the hypotheses that the influence of employee empowerment on organizational performance was mediated by job-related attitudes were not statistically significant and thus not supported. In the hypotheses regarding the joint effect of the independent, intervening and moderation on performance was greater than the individual effect were statistically significant and was supported.

The findings suggest that institutions are involved in various changes to improve their organizational performance. These often can result to employee empowerment where it is interpreted as the decentralization of decision making or giving employees more latitude in carrying out their duties. Organizations do recognize the importance of employee skills as a key success factor in empowerment initiatives.

Empowerment often affects organization culture. This is because it demands a move from traditional culture where staff are just given their job descriptions and responsibilities to where they now have a say in their jobs. Universities have to realize that even if the employees are highly skilled and motivated if they work in highly structured, constraining environment where they do not feel they can take decisions (autonomy), they will conform to that and empowerment is unlikely to succeed.

Obstacles to implementing empowerment were explained as: lack of involvement in decision making beyond the departmental level; lack of trust; lack of clear policies and guidelines; and minimal management support among others. Autonomy scored the lowest mean=2.867 this implies the structures do not allow employees in the universities to

make independent decisions concerning their work. Although it might be argued that academic staff have some autonomy within the classroom setting, still there is management control on other issues affecting them.

Above all universities have to make far reaching changes in their ideologies and policies to meet expectations of staff. On an ideological level the institutions have to recognize employees as a key resource to organizational success. This has to be applied with consistency and vigor, and the universities have to move beyond mere compliance to a position of building genuine employee commitment. They have to adopt employment policies that treat employees as though they are the most important asset in the organization (Pfeffer, 2013). Employee reward package, career development and growth, involvement in decision-making process coupled with participation in the process of strategic planning will have far reaching benefits.

Like all other organizations, universities believe that the key to successful achievement is to focus on the empowerment of its human resource. The human resource is an important factor in the universities for it gives them a competitive edge. As defined by the resource based theory (RBV) (Wernerfelt 1984), for a firm to have competitive advantage there resources should be rare, valuable, inimitable, and non-substitutable. The universities can reach a sustainable competitive advantage through unique resources which they hold and these resources cannot be easily bought or transferred. Empowerment allows leadership within the universities to select and give more responsibilities to both academic and non-academic staff. Practically universities can change organizational policies, processes, practices and structures away from top-down systems towards high involvement practices where power, knowledge, information and rewards are shared.

It is noteworthy that when the employees perceive that the organization considers them important then the state of powerlessness is changed at workplace (Spreitzer, 1995). Empowerment is a relevant human resource practice and it makes significant tool in enhancing positive work-related attitudes. Secondly work will have meaning and employees who have authority and control on their jobs perform better than those without. Employees will have self-determination and their work will impact on organization success.

Leaders also influence employee perception of access to empowering work structures: information, opportunities for growth, resources and support. Managers who have an insight to their core values are not afraid to solicit others views that may challenge or agree with the leaders views before making decisions, and objectively considering all the data collected and viewpoints. This is fundamental to empowerment. Involving employees in decision making and connecting the decisions to the different unit goals increased ownership of work results. Indeed the more the employees in the universities perceive structural and psychological empowerment the more they will be satisfied with their jobs and will have intent to stay in public universities as such cost of turnover will be minimized. Employees who work in environments that provide opportunities and ample resources, and support will have capacity to achieve their goals. We can therefore conclude that institutions should empower their staff, develop their capacity and also encourage them to work in teams to achieve better performance. Based on the findings of the study the fourth hypothesis was supported.

5.4 Recommendations

The study focused on the effect of institutional factors and job-related attitudes on the relationship between employee empowerment and performance of public universities in Kenya. The study highlights the importance of employee empowerment as one of the factors that influence performance. However, this influence is moderated by institutional factors and mediated by job-related attitudes. This study has shown that the universities that implement effective employee empowerment programs have a competitive advantage. Further the dimensions of employee empowerment have strong relationship with performance. It is therefore recommended that universities intending to enhance their staff performance through empowerment should appreciate the benefits it brings. Employee empowerment is more relevant in today's' competitive environment where workers are more aware of their rights and are more skilled and knowledgeable. Further most organizations today are also moving towards decentralized, organic type of organizational structures.

The action of employee empowerment brings leaders, decision-makers and employees together, hence shortening the duration of activities and decision making process. Any type of managerial style that can pave way for developing the feelings of fulfillment will yield employee empowerment. Empowered individuals will have a more active role in the organization life, will take on initiatives, and their participation in the activities of the organization will be enhanced. Involvement and empowerment of employees is key to the success of institutions.

Through an effective employee empowerment program the system has great benefits. Structures and leadership styles on the other hand impedes on the effectiveness of these programs. Leaders within all levels (from departmental to other higher levels) of the organization have a profound effect on the universities overall climate regarding empowerment. As the style of leadership will hinder or enhance empowerment in the universities. There is need for good leadership to be in place at all levels to formulate and implement policies of employee empowerment. Management should involve employees in decision making process at all levels. There is need for more investment in training and development programs to enable employee cope with change. Employees who are empowered will carry the vision of the university and offer quality work; as such empowerment should be encouraged.

The structures should be enabling to allow more employee participation in decision making to reap the benefits from employee empowerment. A clearly established structure gives the group the means to maintain order and resolve conflicts. Organizational leadership refers to finding new and innovative ways to involve and motivate employees and affect positive change. By its nature leadership involves decision making and inspiring the staff. On the other hand organization culture helps in internalizing joint relationships that support effective management.

To address some of the contradictions it is recommended that the universities invest more in their staff and structures, adopt transformational leadership style to enhance performance. An empowering leadership style involves behaviors that enhances the meaningfulness of work, foster participation in decision making and provide autonomy from bureaucratic structures. Successful employee empowerment programs require

redistributing of information knowledge and rewards. This can be done by first investing in training and development, attitude change among others.

The institutions should focus on other sources of revenue to increase their revenue base. For example engage more in income generating activities to sustain revenue growth. Engage in more research programs and aim to become world class Research University. Secondly the institutions should ensure that quality teaching and service delivery goes beyond their boundaries, that is, not only in the institutions but globally to enhance the university ranking in the world. This will boost customer satisfaction rating and research output which have significance contribution to institutions ranking.

Universities should not only build a culture of knowledgeable workers but give them the resources to do their job and when they come up with all that important idea, implement it with capability of the organizations resources. The interaction between participative decision making, flow of information, flat organization structures, training and development reinforces empowerment practices. Employee empowerment influences employee attitudes towards achievement of organizational goals. An empowered organization will recognize the contribution of all employees and will work to develop each to his or her full capability. An empowered organization will recognize that competency in one area does not indicate competence in another area; the effort of every employee has an impact on the success of the entire organization and all work is valued.

Universities perform a set of activities towards achieving strategic goals, as such it is important they respond quickly and perform efficiently. The way the workers are managed has its effects on performance of the university. Empowerment is anything but simple and quick; it demands a willingness to embrace uncertainty, trust people, and exercise faith. The implementation of empowerment practices not only increase employee satisfaction but also increase customer satisfaction. Universities are not profit making organizations, their mandate is to deliver quality effective and efficient services. The interaction of the variables showed significant coefficient in the different models indicating positive association of the variables and their contribution to performance of public universities in Kenya.

5.5 Limitations of the Study

The researcher encountered a number of challenges related to the research and most particularly during the data collection process; however the limitations did not have a significant interference with the outcome of the study. The first limitation was the geographical spread of the public universities in Kenya, making access difficult. During the months when data was being collected there was a strike by workers in the public universities (early 2014), leading to delay in responses.

Secondly, some of the respondents found it difficult to fill the questionnaire because they felt giving the information required might jeopardize their jobs; however this was overcome by assurance that the information will not be divulged and is for academic purpose.

The study did not obtain 100% response rate due to unwillingness and unavailability of some targeted respondents given the nature of information to be collected. The researcher in data collection process further experienced what other previous researchers (Monari, 2013; Mutuku, 2012; Munyoki, 2007) experienced. They reported that first the selection of the variable in the conceptual model was not exhaustive and could have included other variables such as: other types of leadership which could be moderators

Another limitation was that the study was conducted on premise that all chartered Public Universities had the same structures and working conditions albeit at varying degrees without first grouping the universities on basis of their similarities. The only similarity considered in the study was whether they were fully chartered and were public institutions.

Individual respondents also differ in their perception therefore making generalization on responses a limitation. The results for this study were self-reporting. This assumed that the responses were factual and that they were actually given by the target group. The questionnaire design and results depend on employees' perception which has been implemented in order to analyze the effect of empowerment. Use of self-administered questionnaires is also a limiting factor in terms of understanding of the questions for

which answers were being sought. However to some extent the risks involved were reduced by use of multiple informants from each of the participating institutions.

Another limitation was that the present study is cross-sectional. A longitudinal examination of variables as they occur and as managerial interventions are made to improving desirable organizational outcomes would have been better, for such a study could have observed the changes of the variables.

The conceptual underpinning of the research came from studies conducted in the western and developed world context. In view that the culture and human behavior differ from country to country further studies should be carried out in developing countries context. To confirm the generalizability of the study this work could be replicated in other contexts.

The other challenges faced was resource limitations during the entire period of the research ranging from time, finances and technical support during the data analysis and thesis development. The study focused on public universities which are spread all over the country. The researcher had to hire assistant researchers; who had to be trained first, to assist in data collection.

Despite the limitations experience the quality of the study was not compromised. The study was designed in highly scientific manner following a thorough literature and theoretical review. The study was rigorous in its approach analysis, interpretation and reporting of the findings. The implications discussed did not therefore have any material effect on the results and findings of the study. The results and the findings of the study have made an immense contribution to the existing body of knowledge, especially in the area of human resource management.

5.6 Implications of the Research Findings

The current research examined the relationship between employee empowerment, job-related attitudes, institutional factors and performance. The mediating role of the job-related attitudes and moderating role of the institutional factors were also explored. The study results present theoretical and policy implications.

5.6.1 Theoretical Implications

The findings of this study are consistent with underpinning theories of this study. As regards theory the current study was anchored on the empowerment theory, psychological and structural theory and institutional theory. These theories were used to ground the arguments and concepts that enabled the study to be carried out. This theoretical framework facilitated an informed interrogation of key variables and concepts underpinning these investigations on appropriate extant theories. These theories suggested that when employees are empowered, and power is shared it enhances performance in the organization (Spreitzer, 1995; Kanter, 1983). This study supports the theories that empowered employees perform better compared to those not empowered, which translates to improved organizational performance. The study further confirms the scope of employee empowerment and performance. This is done when employees are allowed to participate; plan for their work and set targets then motivation is enhanced. This in turn leads to greater effort and hence increases performance.

The study also introduces a model which incorporates other non-financial measures of performance customer satisfaction, research grants and publication, adherence to budget and employee satisfaction. As noted previously the results in the present study are consistent with the findings by other researchers in these areas (Fernandes and Moldogaziev 2011, Ahadi 2011; Monari 2013) who also used other measures of non-financial performance such as: efficiency, quality of decisions and employee outcome.

The findings of this study show that employee empowerment contributed significantly to performance. Employees expect to be considered favorably by the management for this affect job satisfaction and organization commitment. The organization culture sets the pace and creates environment for empowerment. The structures are expected to be supportive while the leadership gives direction. Thus study supported the theories of empowerment and institutional theory.

The research also serves as a reference point for studying the relationships between employee empowerment institutional factors and performance. Other researchers can test other moderating variables to this relationship to find out which ones are more significant. Previous empirical research on the influence of employee empowerment and

performance recommended further research on to find out which variables moderate this relationship. This study found that participative culture and leadership style have significant influence on this relationship. However the findings revealed that job-related attitudes did not mediate the influence of employee empowerment on performance. This should be further explored. Probably we can try to use employee empowerment as a mediating variable on the relationship between job-related attitudes and performance.

Further the study contributes to understanding the link between employee empowerment and organization performance while at the same time confirms the findings of previous studies that have found significant link between employee empowerment and organizational performance. Researchers (Spreitzer, 1995; Menon 2001) confirm that empowerment is critical and leads to enhanced organizational performance. Previous studies focused on examining one or two variables, such as power sharing, access to information and how they affect the relationship between employee empowerment and organization performance, while the current study examined the interrelationships among three variables namely, employee empowerment, job-related attitudes, institutional factors and performance. This study therefore brings out increased understanding that the combined effect of the study variables is greater than the individual effects.

This study contributed to existing knowledge by empirically confirming that institutional factors moderated the relationship between employee empowerment and organization performance. Most of the previous related studies have been done in the context of developed countries, hence the findings of these studies may not be fully applicable to organizations in developing countries due to contextual differences. The findings of this study would therefore be more relevant in the Kenyan context.

Regarding the research methodology, the study used correlation, positivist, research design, stratified sampling technique and primary data was collected. Simple linear, stepwise regression and multiple regression analysis were used to test hypotheses and pertinent results presented. In terms of study contributions the study reiterates that employee performance depends on empowerment strategies, structures and leadership in the organization. Positive culture is to be encouraged and employee development enhanced.

5.6.2 Policy Implications

As far as policy is concerned the results of this study have implications for the government, private sector. The study reports that each of the investigated variables had an effect on performance. Universities have been regarded as major contributor of human capital in Kenya as such the findings of this study should assist the practitioners in policy making. Specifically such policies should include how empowerment may be encouraged in institutions accompanied by proper strategies and leadership. It can also be applied in the policy of human resource development. Training and career development is one of the measures of empowerment. The manager should formulate and implement policies and practices that will foster empowerment in all areas in the organization.

The findings revealed a statistically significant relationship between employee empowerment and job-related attitudes. The influence of job-related attitude on performance was also statistically significant. This implies that if organizations create and build empowerment programs this will enhance job satisfaction and organization commitment which in turn will improve organizational performance. The empowerment programs will also minimize labor turnover. One of the major causes of labor turnover in organizations is dissatisfaction and violation of psychological contract. When employees perceive that the HRM policies and practices are unfair it leads to dissatisfaction. This perception can lead to labor turnover which is costly for the organization. The research findings revealed that job-related attitudes do not mediate the influence of employee empowerment and organization performance.

The findings revealed that a statistically significant relationship between employee empowerment and institutional factors. The influence of institutional factors on performance was significant. This implies that organizations that implement proper structures will reap benefits. The implication of this to theory and practice is that institutions should strengthen their structures so as to maximize on employee empowerment. Employees who are empowered are believed to contribute more to organization success as the organizations should be keen on increasing the level of employee empowerment.

The study observed that human resource management has not yet become strategic in universities and that reflects in universities low scores on sharing of vision, training and development and autonomy. The study makes a recommendation to university management to redesign human resource management policies/function to become more strategically aligned. Key among them the areas to be addressed is empowerment practices. There is need to align strategies that will empower employees especially in areas such as autonomy, access to information, and involvement in decision making.

The study found disconnect between leadership practices and prevailing cultures. Study recommends that university management to invest more in strategic human resource so as to integrate human resource practices and approaches like employee empowerment in the structure and culture. The findings of the study are important in that higher education institutions have been vested with meeting country's human capital development needs for the achievement of the Kenya Vision 2030 Agenda. The universities are meant to be partners with the government to build manpower capacity. With education being identified as one of the major sectors in the country there is need for government interventions as the country endeavors to be a globally competitive state. The government and universities should work together and apply the concepts of employee empowerment to enhance performance to achieve this vision. Part of government policy in education is linking university education with industry for sustainability and development of the country.

From the current study, it is evident that employee empowerment have direct positive relationship with Public University Performance. The policy makers in education sector may support the universities by offering more grants in research skills and capabilities to ensure our universities are ranked amongst research universities in the world. This can be done in conjunction with partners and friends of the universities. Policy makers can consider the unique nature of the sector by offering support in terms of policies that argument growth and better delivery of service which translates in being world class research universities; this will increase capacity for innovation and creativity in institutions of higher learning.

5.6.3 Implications for Practice

The study bears significant implications for practice. The study clearly confirms earlier research that employee empowerment has significant effect on performance of organizations. The link between empowerment practices and performance is causal for enhanced performance.

Empowerment can influence performance through job satisfaction and commitment. Empowerment also has an effect on achievement motivation; as such the public sector can easily adopt empowerment practices to enhance productivity in the institutions of higher learning. Empowerment practices aimed at granting employees discretion to change their work process and providing them with work opportunities to acquire job related knowledge skills have strong positive effects.

From the managers and policy makers in the universities the study findings imply that there is a need for paradigm shift from work as usual. The institutions are facing new challenges today more than ever before, as such must learn new ways of coping with environmental changes. One way of coping is institutionalizing empowerment practices and programs. This process will provide employees with opportunity to grow and change work attitudes and behavior.

University management can also apply the findings of this study in other areas of human resource management such as in training and development policy, rewards policy, employee involvement in decision making beyond the departments, and involvement in strategy planning process. The study suggested that employee commitment in an organization leads to low turnover and employees tend to stay longer in the organization with no intent to leave if they are committed. Job satisfaction also makes the staff to perform better for it leads to employee satisfaction.

The findings provide insights into how employees can better be empowered and this way they will exhibit higher feelings of satisfaction, motivation and commitment which in turn will translate to enhanced performance and low turnover. The study would also recommend a change in policy in order to involve employees more in empowerment programs and in strategic issues. There is need to have self-evaluation in view of the

current changes in the country such as: vision 2030 which seeks to make Kenya a middle income country; Kenya Constitution (2010) emphasize on devolution and the reengineering of process in the country (performance contracting), and emphasize on integrity, accountability and transparency in all activities. These changes will impact on how institutions are run and on the changing role of human resource management. To cope with changes the universities will need to institutionalize change. Organizations that are conscious of the changes taking place in the environment stay on “top of their game.” They will have clear direction and strategies; and will harness all their efforts towards meeting these challenges. The organization should have the ability to reengineer, redefine and re-allocate resources to cope with the changes.

5.7 Suggestions for Further Research

The researcher offers the following direction for further research. This study had hypothesized that the influence of employee empowerment on performance is mediated by job-related attitudes. The findings revealed that job-related attitudes were found not to mediate the influence of employee empowerment on organizational performance. As such further research may address why this is so. There could be other variables that mediate the relationship between employee empowerment and organizational performance. Secondly the variable of employee empowerment can be investigated further and used as a mediating variable.

Further the study only looked at the moderating effect of institutional factors on the influence of employee empowerment and performance. The study collected cross-sectional data. This may not give a clear understanding of the effect of the institutional factors on the relationship between employee empowerment and organizational performance. Probably there could be other factors namely: age of organization, gender, employee characteristics, and technology which could have greater impact on the relationship between employee empowerment and organization performance.

Given that this study focused on Public Chartered Universities in Kenya it is recommended that similar study be conducted among other universities that are chartered but private, others with letters of interim authority. Future studies can also be carried out

in other sectors like manufacturing, commercial and non-governmental organizations. The study can also be replicated in other developing countries in Africa as well as the developed countries to determine whether the same results can be obtained.

Cross sectional survey method was used to collect data. This method has a number of limitations as such a further study can be conducted using longitudinal survey. Further the measures used in this study were perceptual; most of the data collected was for key variables were qualitative. This measures raises concern about common method bias and the honesty of the source. As such future studies can use other measures of scale apart from likert type scale.

The study also suggests that future studies could consider triangulating data collection to use a combination of different or multiple methods. Using such different methods may ensure that appropriate and adequate information and data is obtained for further analysis.

The current study did not cover the antecedents of employee empowerment. Therefore conducting a study to identify the determinants should be conducted. In view of the fact that this study focused on organizations as unit of analysis another study targeting individual perceptions of employee empowerment as well as their job-related attitudes should be conducted. In addition a study on why job-related attitudes are not predictor of organization performance should be investigated.

The study looked at the moderating effect of institutional factors on the relationship between employee empowerment and performance. This may not give a very clear picture of the impact on the relationship, for institutions are evolving as they interact with their environment. Other institutional factors could be considered such as: other leadership styles, different organizational structures and cultures. However, the current study has opened up fertile ground for future research.

The study serves as a reference point for those studying employee empowerment, institutional factors relationship with performance. Other researchers can test other moderators and intervening variables on the relationship between employee empowerment and performance to find out which variables have the most significant effect.

In conclusion this research has brought in new insight into human resource management fields showing that organizational competitiveness depends on alignment of human resource practices such as employee empowerment, job-related attitudes and institutional factors in order to enhance performance.

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APPENDICES

Appendix 1: Letter of Introduction

Dear Sir/Madam

RE: PERMISSION TO CONDUCT PH.D RESEARCH IN YOUR ORGANIZATION

I am a Doctoral candidate at the University of Nairobi, School of Business. As part of my degree requirements, I am required to conduct a field study in the Public Sector. The Title of my Study is: “The Effect of Institutional Factors and Job-Related Attitudes on the Relationship between Employee Empowerment and Performance of Kenyan Public Universities.” I am pleased to let you know that your organization falls within the population of interest. This is therefore to kindly request you to assist me collect data by filling the accompanying questionnaire.

On behalf of the University, my supervisors and I promise that the information gathered will strictly be used for academic purposes only and that no information shall be divulged to a third party without your consent or prior authority for that matter. The copy of the final report will be made available to you on demand.

Thank you in advance for your co-operation

Sincerely

Mary P Idua
PhD Student

Appendix 2: Questionnaire

This questionnaire is designed to collect data from Public Universities in Kenya to establish the Effect of Institutional Factors and Job-Related Attitudes on the relationship between Employee Empowerment and the Performance of Public Universities in Kenya. The data shall be used for academic purposes only, and will be treated with strict confidence. Your participation in facilitating the study is highly appreciated. All information in this questionnaire will remain absolutely confidential and will be seen only by academic researchers involved in this study.

PART ONE: GENERAL INFORMATION

1. What is your job title?

.....

2. What position do you hold?

.....

3. What is your job Grade?

.....

4. Gender : Male Female

5. Are you in: Academics Non-Academics or both

6. Name of your University

.....

7. How long have you worked in this University? (Tick as appropriate)

Below 2 years	3-5 years	5-10 years	10 -15 years	Over 15 years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. State your age bracket amongst the following

Below 20 years	20-29 years	30-39 years	40-49 years	Over 50 years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. What is your highest level of education attained?

Diploma	Degree	Masters Degree	Doctorate
[]	[]	[]	[]

10. Your current employment status

Permanent	Contract	Others (Specify)
[]	[]	[]

11. Do you know the number of years the university has been in existence?

Yes [] No []

12. If the answer above is **Yes** tick appropriate box below indicating the number of years the university has been in operation

Less than 5 years	6-10	11-15	16-20	Over 20 years
[]	[]	[]	[]	[]

13. Do you know the number of students enrolled in your university? Yes [] No []

14. If the answer is Yes, tick the appropriate box below indicating the approximate number of students in your university?

Less than 5,000	6,000-10,000	11,001-15,000	16,000-20,000	Over 20,000
[]	[]	[]	[]	[]

15. What is the market share commanded by your university in terms of student enrolment?

Less than 20%	20-40%	41-60%	61-80%	81-100%
[]	[]	[]	[]	[]

PART TWO: EMPLOYEE EMPOWERMENT

(16) Involvement in Decision Making

To what extent do the following statements describe your involvement in the university decision making process? Use the scale where 5 = To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 = To a small extent, 1 Not at all.

	Statement	1	2	3	4	5
1	Management seeks staff opinion on major appointments in the departments					
2	Employees are consulted on planning and procedure issues in the departments					
3	Employees are involved in strategic planning of the university					
4	Employee have influence over what happens in their dept/work					
5	Employees significantly participate in deciding what happens in their departments/work					
6	Employees opinion is sought before making changes in the department					

(17) Autonomy

To what extent do the following statements describe extent of autonomy in your work process? Use the scale where 5 = To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all.

	Statement	1	2	3	4	5
1	Staff can take independent action in their work					
2	The university incorporates employee recommendations in the strategic plan					
3	Staff can arrange, plan and design their own job content					
4	Staff determine the procedures to be used to carry out their work					
5	Staff have significant authority determining how to perform their work					
6	Staff have opportunity on self-rated performance appraisal					

(18) Training and Development

To what extent do the following statements describe extent of training and development programs for staff at your University? Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 = To a small extent, 1= Not at all.

	Statement	1	2	3	4	5
1	Staff training is an on-going activity in this university					
2	Employees have a choice on the type of training and development programs to attend					
3	Staff opinion is is sought when nominating people to be awarded scholarship for further training					
4	Staff training program is part of strategic plan in the university					
5	Employee development is linked to both individual and organizational needs					
6	The organization has instituted career development					

	strategies					
7	There are clear paths/opportunities for career growth					
8	Training and development enables staff to move easily from one grade to another in the organization					
9	Employees are highly trained and can handle diverse activities					

(19) Do you know the Training Budget of your University? Yes [] No []

(20) If the answer above is Yes; what percentage of budget is geared towards training and development at the university?

(21) Access to Information

To what extent do the following statements describe the extent of access to information in the University? Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 -= To a small extent, 1= Not at all.

	Statement	1	2	3	4	5
1	Information is easily available					
2	There are clear lines of communication in the organization					
3	Feedback is easily given to and from management					
4	There is multiple, free and open communication					
5	The organization withholds information from employees					
6	Information is easily shared between departments					
7	Employees understand the top managements' vision of the organization clearly					
8	Organization acts as if it does not trust employees					
9	Introduces changes without involving employees					

(22) Management Support

To what extent do the following statements describe Management Support in your work? Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 -= To a small extent, 1= Not at all.

	Statement	1	2	3	4	5
1	Staff can easily talk to management when facing issues/ challenges					
2	Management is happy when employees do their work well					
3	The university invests in supporting staff initiatives and projects					
4	Employees are rewarded for work well done					
4	Resources are distributed equitably in the departments					
5	There is emphasize on empowerment and growth					
6	Help is available from the organization when staff have a problem					
7	The organization really cares about staff well-being					
8	The organization shows little concern on employees' work and well being					

PART THREE: INSTITUTIONAL FACTORS

(23) Strategy

To what extent do you agree with the following statements relating to your organization's strategy?

Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all.

	Statement	1	2	3	4	5
1	There is clear direction, vision where the organization is heading to					
2	The university is consistent in its strategic choices					
3	We always observe changes in the environment and respond quickly					
4	Our organization identifies and exploits new opportunities					
5	Innovation and creativity is highly encouraged					
6	Our organizations is cost conscious					
7	Our university is sensitive to the changing environment					
8	The university is adheres to the strategic plan					
9	The university adopts new technologies					
10	There is a shared vision in the university					

(24) Structure

To what extent do you agree with the following statements relating to your organization's structure?

Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all

	Statement	1	2	3	4	5
1	Power is centralized at the top					
2	Jobs are highly standardized and formalized					
3	Decisions are made at the top					
4	Organization rules and procedures are carefully defined					
5	Workers in the organization are granted limited discretion in performing their tasks					
6	Communication and control proceeds through hierarchical routes					
7	There is low differentiation of tasks in my organization					
8	There is more emphasize on completion of tasks than achievement of goals					
9	Leaders are considered as mentors and coaches					
10	Employees are involved in decision making process in the organization					
11	The organization's structure is quite simple					
12	The organization's structure is informal					
13	The organization is highly decentralized					
14	Power and decision making are decentralized					
15	Teamwork is encouraged in my organization					

(25) Organization Culture

To what extent do you agree with the following statements relating to your organization’s culture?

Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all

	Statement	1	2	3	4	5
1	Jobs are highly standardized and rules and procedures have to be followed					
2	There is close supervision in my work					
3	My organization puts a lot of emphasize on cost control					
4	All decisions are made by the top management					
5	Tasks are not delegated					
6	Heads like seeing themselves as powerful					
7	The organization culture is less supportive					
8	Hierarchy is emphasized in our organization					
	Participative Culture:					
1	In my organization there is equity and fairness					
2	Management focuses on internal integration and unity, and value stability, order and control					
3	Creativity and innovation is encouraged in my organization					
4	Ethical practices and good corporate citizenship is emphasized					
5	Loyalty in our organization is strong					
6	Organization put emphasis on teamwork and participation					
7	Work environment is friendly and motivates participation					
8	The leaders are mentors and coaches in my organization					
9	Employees have impact in their work units through involvement in strategic plans and governance					

(26) Transactional Leadership Type

To what extent do you agree with the following statements relating to your organization’s Leadership type?

Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all

	Statement	1	2	3	4	5
1	Each employees role is clear in the organization					
2	Our plans are short-term					
3	Tasks are fully clarified					
4	We work by the rules and policies of the organization					
5	We get regular feedback about our work					
6	Supervisors suggest to employee how to execute tasks					
7	My leader negotiates and allocates resource accordingly					

(27) Transformational Leadership Type

To what extent do you agree with the following statements relating to your organization’s Leadership type?

Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all

	Statement	1	2	3	4	5
1	Management style in our organization is inspirational					
2	Creativity and innovation is encouraged					
3	Organization encourages teamwork					
4	My immediate supervisor has clear vision, and mission of where the organization is going					
5	Our leader is a mentor, coach and goal oriented					
6	Our leader considers individuals interest when making decisions					
7	My leader has a strong influence, and a sense of mission					
8	Delegation of jobs is done regularly by supervisors					
9	The university uses frequent feedback to modify behavior					
10	Staff present ideas and can question issues affecting them					

PART FOUR: JOB-RELATED ATTITUDES

The statements below refer to various indicators of Job- Related Attitudes. To what extent does each of these statements apply to your university and tick the most appropriate response

(28) Job Satisfaction

Please state the extent to which the following statements apply to you. Use the scale where 5= To a great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all

	Statement	1	2	3	4	5
1	Level of Motivational in this organization is high					
2	Grievances about work is minimal					
3	Very few accidents related to work do occur in this institution					
4	Employees perceive their job to be highly meaningful					
5	Relationship between employees and supervisors is great					
6	Employees job gives staff sense of accomplishment					
7	The methods used to resolve conflicts at work are adequate					
8	Opportunity for advancement is very good in this organization					
9	Jobs in the university have great impact on the success of the institution					

(29) Organization Commitment

Use the scale where 5= To a very great extent, 4 = To a great extent, 3 = Moderate extent, 2 =To a small extent, 1= Not at all

	Statement	1	2	3	4	5
1	Staff like working for this organization					
2	Employees look forward to coming to work					
3	Staff have a strong desire to stay and to maintain membership in this organization					
4	Employees stay overtime to finish their work					
5	Organization make commitment to employees					
6	Absenteeism rate is very low					
7	Staff have individual attachment to this organization					
8	Employees have close cooperation with their managers					
9	Labor turnover is low in this organization					
10	Employees perceive current and future opportunities as adequate					

PART FIVE: ORGANIZATIONAL PERFORMANCE

(30) (a) Non-Financial Performance

Rate the extent to which the performance of the university has been achieved in the last five years (2009-2013).

Use the scale where 1= low 2=Slightly 3=Moderately 4=Good 5= High

	Non-Financial Performance	1	2	3	4	5
	Research and Publications					
1	The university encourage staff to carry out research and publish results					
2	The number of research grants won have increased in the last three years					
	Adherence to Budget					
3	Utilization of funds is within the allocated budget during the period					
4	Our university adheres to the set down budget for the year					
5	Our university monitors financial performance on regular basis					
	Customer Satisfaction					
6	Customer complaints in the university are minimal					
7	Service delivery in our university is adequate					
	Employee Satisfaction					
8	Organization policies satisfy Employee expectations in the university					
9	Employee complaints in the university are minimal					
10	The university has attracted qualified and capable employees					

30. Financial Performance from Secondary Data

Data for revenue growth and student enrollment was obtained from secondary sources namely: Performance Contracting reports at the Secretariat, Commission for University Education, website. The data was presented in the format provided.

Table Appendix 2.1 Secondary Data Collection Form

	Measure	2008/9	2009/2010	2010/2011	2011/2012	2012/2013
1	Revenue Growth					
2	Number of Student Enrollment (Admission)					

Appendix 3: Total University Population

	University	Schools/ Faculties/ Directorates/ Institute/ Centres	Teaching Staff	Senior Mgt	Middle Level	Lower/ Support Staff	Total
1	University of Nairobi	36	2052	183	1899	1468	5432
2	Moi	20	754	919	731	1088	3492
3	KU	15	961	158	772	846	2737
4	JKUAT	13	710	14	981	467	2172
5	Masinde Muliro	14	318	47	324	402	1091
6	Egerton	21	509	09	476	1465	2459
7	Maseno	13	368	56	384	444	1252
8	Kisii	8	138	14	265	335	752
9	Laikipia	4	79	6	22	325	432
10	University of Eldoret	8	740	7	162	404	1313
11	SEKU	10	105	49	90	104	348
12	Kabianga	5	110	23	118	131	382
13	TUM	3	210	3	199	235	647
14	TUK	3	273	36	140	330	779
15	Dedan Kimathi University	5	117	4	44	246	411
16	Chuka	4	163	25	120	105	413
17	Masaai Mara	5	83	5	190	281	559
18	Multi Media	4	121	7	50	140	318
19	Pwani University	5	123	13	32	176	344
20	Jaramogi Oginga Odinga	12	97	10	162	121	390
21	Karatina University	7	155	10	49	120	334
22	Meru University	4	66	9	156	91	322
			8,252	1,437	7,366	9,324	25,365

Source: www.4icu.com – (January 2012) & (Universities website February, 2013) and
Direct contacts from the participating universities

Appendix 4: Sampling Frame

	University	Schools/ Faculties/ Centers/ Institutes/ Directorate	10% where units are >10, and 20% where units < 10	Academic staff Respondents	Non-Academic Staff		Total	Sample Size (10%)
		Number	Number	Number	Senior Mgt	Middle Mgt		
1	University of Nairobi	36	4	163	183	1899	2245	225
2	Moi	20	2	108	919	731	1758	175
3	KU	15	2	60	158	772	990	99
4	JKUAT	10	2	105	14	981	1100	110
5	Masinde Muliro	14	2	23	47	324	394	40
6	Egerton	21	2	102	09	476	587	59
7	Maseno	13	2	95	56	384	535	54
8	Kisii	8	2	21	14	265	300	30
9	Laikipia	4	1	6	6	22	34	4
10	University of Eldoret	8	2	65	7	162	234	24
11	SEKU	10	2	81	49	90	220	22
12	Kabianga	5	1	39	23	118	180	18
13	TUM	3	1	40	3	199	242	24
14	TUK	3	1	38	36	140	214	21
15	Dedan Kimathi	5	1	26	4	44	74	7
16	Chuka	4	1	29	25	120	174	17
17	Masaai Mara	5	1	6	5	190	201	20
18	Multi Media	4	1	16	7	50	73	7
19	Pwani University	5	1	45	13	32	90	9
20	Jaramogi Oginga Odinga	12	2	16	10	162	188	19
21	Karatina University	7	1	35	10	49	94	9
22	Meru University	4	1	18	9	156	183	18
	Total	219		1,137	1,437	7,366	10,110	1,011

Key

Academic Staff

20% of Schools/Faculties/Institutes/Directorates will be used from each institution to draw the respondents; however where the units are less than ten, 20% will be used and where there are more than 10 then 10% will be selected in each stratum for the Academic Staff. Academic staff will include: professors, associate professors, senior lecturers, lecturers, assistant lecturers and tutorial fellow.

Non-Academic Staff

Respondents will be drawn from Senior Management and Middle level staff. Senior staff include: registrars, deputy registrar, deans, chair of department, senior assistant registrar, and principal technologist, finance officer. While middle level staff includes: assistant registrar, assistant librarian, senior administrative assistant, procurement officer, accountant, placement officer, assistant dean of students, audit officer, administrative assistant, senior secretary, bursar, technologists

*The school/faculties will be listed serially and systematically select every kth number in each university. Respondents will be selected randomly from each of the identified school/faculty.

Appendix 5: Student Enrollment in Public Universities

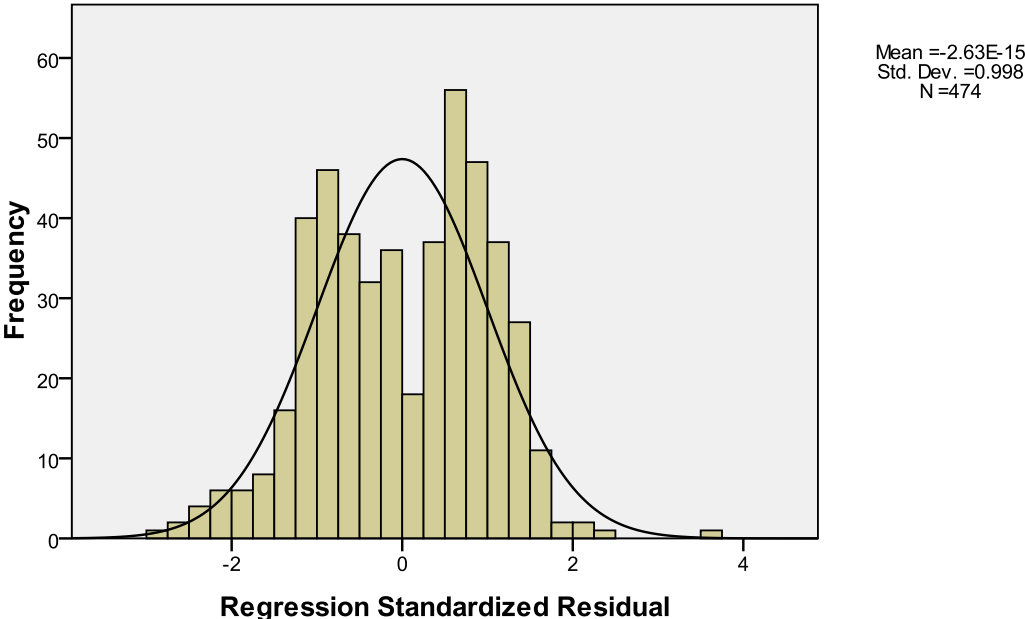
	Number of Student Enrollment (Admission)	2008/9	2009/2010	2010/2011	2011/2012	2012/2013
1	Universit of Nairobi	40,000	50,000	60,000	70,500	81,000
2	Kenyatta University	24,000	27,000	28,350	36,000	45,000
3	Moi University	12,000	17,147	20,414	31,723	36,843
4	JKUAT	11,370	14,106	15,650	16,320	18,000
5	Masinde Muliro University	1,249	-	6,703	6,069	10,325
6	Egerton University	7,185	9,600	13,786	16,899	19,000
7	Maseno University	900	1,110	3,500	6,500	8,000
8	Kisii University	1,356	3,337	4,400	5,500	10,000
9	Laikipia University		-		1,500	3,000
10	University of Eldoret	10,094	10,927	11,792	12,787	13,931
11	SEKU		314	1,500	1,678	1,796
12	University of Kabianga	-	-	2,102	3,000	3,843
13	TUM			3,122	3,628	7,391
14	TUK		3,000	6,030	8,003	10,583
15	Dedan Kimathi	500	1,622	2,157	3,400	5,000
16	Chuka University	2,461	2,994	4,744	8,150	10,000
17	Maasai Mara		634	884	1,009	3,417
18	Multi Media University			774	1,130	1,367
19	Pwani University		453	520	1,645	3,839
20	Jaramogi Oginga Odinga University	-	-	120	627	1,000
21	Karatina University	-	-	2,045	3,176	4,857
22	Meru University of Science and Technology	45	748	2,538	2,600	3,000

Source: CUE and Performance Contracts Report 2014

Appendix 6: Histogram for Non-Financial Performance

Histogram

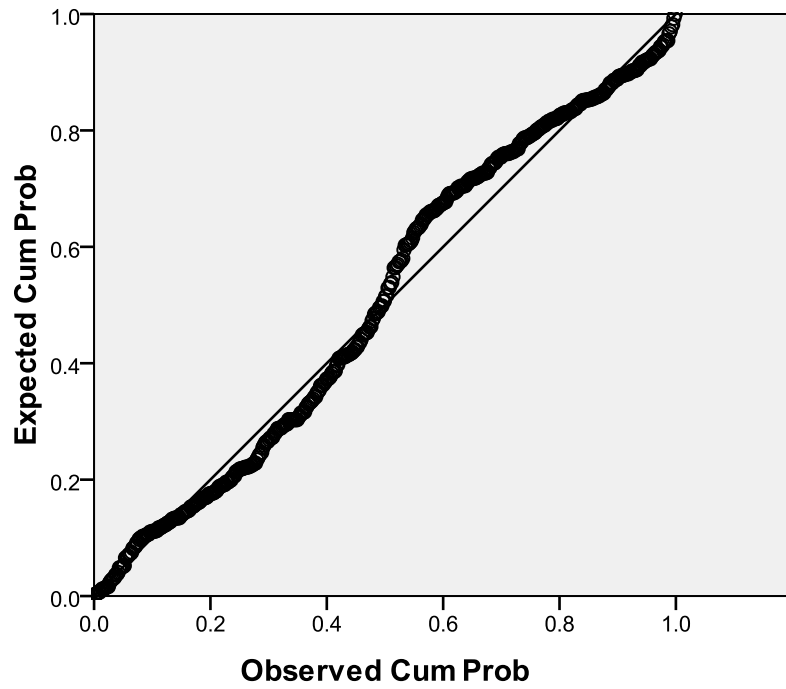
Dependent Variable: non financial performance



Appendix 7: Normal Q-Q Plot for Non-Financial Performance

Normal P-P Plot of Regression Standardized Residual

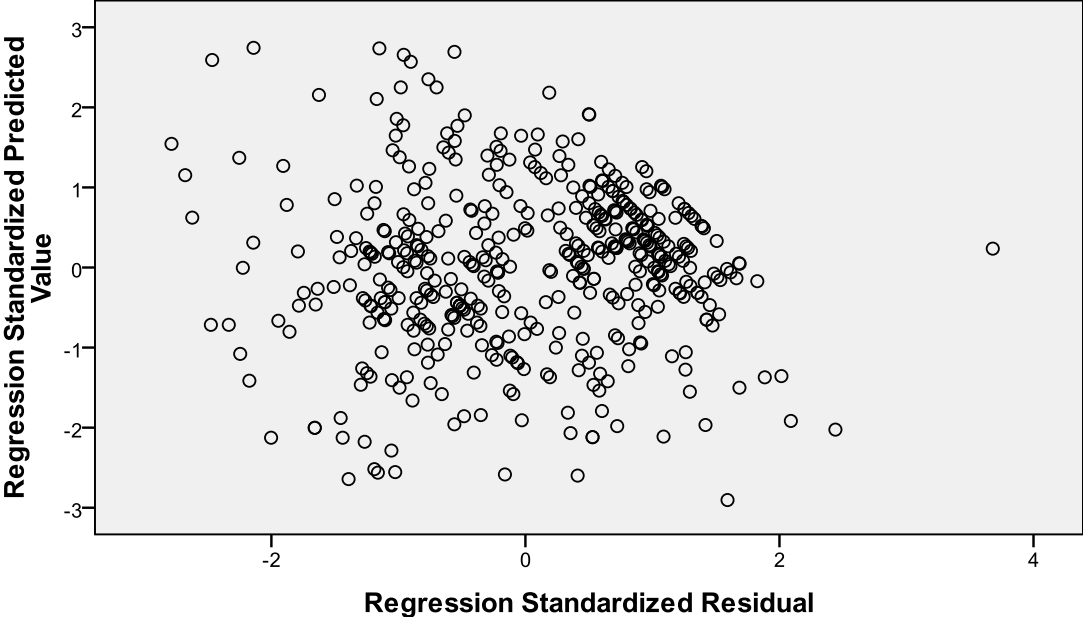
Dependent Variable: non financial performance



Appendix 8: Scatter Plot

Scatterplot

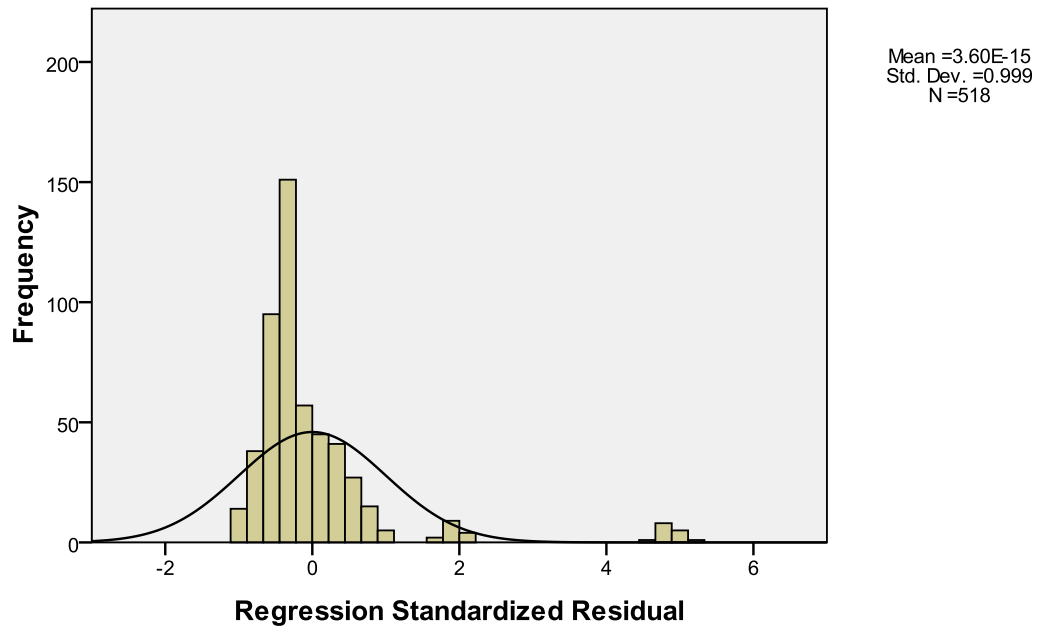
Dependent Variable: non financial performance



Appendix 9: Histogram for Revenue Growth

Histogram

Dependent Variable: average revenue growth



Appendix 10

Regression Results of Interaction of Employee Empowerment and Job Related Attitudes

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
Step 2	.638	.407	.406	.09938		
ANOVA						
Model	Sum of Squares	Df	Mean Square	F	Sig.	
Step 2 Regression	3.233	1	3.233	327.343	.000	
Residual	4.711	477	.010			
Total	7.944	478				
Coefficients						
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
Step 2 (Constant)	.166	.024		6.989	.000	
employee empowerment	.718	.040	.638	18.093	.000	
Predictors: (Constant), Employee Empowerment						
Dependent Variable: Job-Related Attitudes						

Appendix 11

Influence of Employee Empowerment on Revenue Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.194 ^a	.038	.036	1.38307		
ANOVA^b						
Model		Sum of Squares	Df	Mean Square	F	P value
1	Regression	38.786	1	38.786	20.276	.000 ^a
	Residual	987.043	516	1.913		
	Total	1025.829	517			
Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	P value
		B	Std. Error	Beta		
1	(Constant)	3.328	.315		10.577	.000
	employee empowerment	-2.363	.525	-.194	-4.503	.000
a. Predictors: (Constant), Employee Empowerment						
b. Dependent Variable: Average Revenue Growth						
R=.194						
R Squared =.380						
F = 20.276, p<.001						

Appendix 12

Joint effect of Employee Empowerment, Institutional Factors and Job related Attitudes on Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.573	.329	.327	.15408	.329	170.803	1	349	.000
2	.575	.330	.327	.15408	.002	.987	1	348	.321
3	.578	.334	.328	.15396	.003	1.572	1	347	.211
ANOVA									
Model	Sum of Squares		Df	Mean Square	F	Sig.			
1	Regression	4.055	1	4.055	170.803	.000			
	Residual	8.286	349	.024					
	Total	12.341	350						
2	Regression	4.078	2	2.039	85.892	.000			
	Residual	8.262	348	.024					
	Total	12.341	350						
3	Regression	4.116	3	1.372	57.879	.000			
	Residual	8.225	347	.024					
	Total	12.341	350						
Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients		T	Sig.		
		B	Std. Error	Beta					
1	(Constant)	.164	.043			3.800	.000		
	employee empowerment	.948	.073	.573		13.069	.000		
2	(Constant)	.135	.052			2.590	.010		
	employee empowerment	.874	.104	.528		8.404	.000		
	institutional factors	.113	.113	.062		.994	.321		
3	(Constant)	.127	.053			2.412	.016		
	employee empowerment	.906	.107	.548		8.463	.000		
	institutional factors	.215	.140	.119		1.540	.124		
	job related attitudes	-.131	.104	-.091		-1.254	.211		

Predictors: (Constant), employee empowerment

Predictors: (Constant), employee empowerment, institutional factors

Predictors: (Constant), employee empowerment, institutional factors, job related attitudes

Dependent Variable: non financial performance

Appendix 13

Joint effect of Employee Empowerment, Institutional Factors and Job related Attitudes on Revenue Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.202 ^a	.041	.039	1.31512	.041	20.440	1	482	.000
2	.206 ^b	.043	.039	1.31524	.002	.918	1	481	.338
3	.208 ^c	.043	.037	1.31618	.001	.312	1	480	.577
ANOVA									
Model		Sum of Squares	Df	Mean Square	F	Sig.			
1	Regression	35.352	1	35.352	20.440	.000 ^a			
	Residual	833.645	482	1.730					
	Total	868.997	483						
2	Regression	36.941	2	18.470	10.678	.000 ^b			
	Residual	832.056	481	1.730					
	Total	868.997	483						
3	Regression	37.481	3	12.494	7.212	.000 ^c			
	Residual	831.517	480	1.732					
	Total	868.997	483						

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	3.305	.314		10.515	.000		
employee empowerment	-2.374	.525	-.202	-4.521	.000	1.000	1.000
2 (Constant)	3.492	.370		9.432	.000		
employee empowerment	-2.005	.652	-.170	-3.076	.002	.650	1.539
institutional factors	-.599	.625	-.053	-.958	.338	.650	1.539
3 (Constant)	3.508	.372		9.440	.000		
employee empowerment	-1.845	.712	-.157	-2.589	.010	.544	1.837
institutional factors	-.548	.632	-.049	-.866	.387	.636	1.572
job related attitudes	-.242	.434	-.030	-.558	.577	.690	1.448
a. Predictors: (Constant), employee empowerment b. Predictors: (Constant), employee empowerment, institutional factors c. Predictors: (Constant), employee empowerment, institutional factors, job related attitudes d. Dependent Variable: average revenue growth							

Source: Primary Data (2014)

Appendix 14: Summary of Tests of the Research Objectives, Hypotheses and Results
Summary of Research Objectives, Hypotheses and Results

Objectives	Hypothesis	Results Level of Significance (p-value)	Remarks
Objective 1: Employee empowerment influences organization performance in public universities in Kenya	H1: Employee empowerment influences organization performance	$R^2=.286$, $p<.001$ $\beta=.858$, $t=13.797$, $p<..001$ $F=190.353$ $F=20.276$ (revenue growth)	Supported
Objective 2: Determine the mediating effect of Job-related attitudes on the influence of employee empowerment on organizational performance	H2: The influence of employee empowerment on organization performance is mediated by job-related of the public universities in Kenya	$R^2=.407$, $p<.001$, $\beta=.007$ $p>0.05$; $t=.088$ $\beta =-.273$, $p>0.05$ (revenue growth) $F=91.288$, $p<.001$ $F=10.487$, $p<.001$ (RG)	Not Supported
Objective 3: Determine the moderating effect of institutional factors on the influence of employee empowerment on organizational performance	H3: The influence of employee empowerment on organization performance is statistically and significantly moderated by institutional factors	$R^2=.331$, $\beta =.858$, $p<.001$ $\beta= -.123$ $p<0.05$ $t=-3.169$ $F=79.138$ $F=7.039$ (RG)	Supported
Objective 4: Establish the joint effect of employee empowerment, job-related attitudes, and institutional factors on organizational performance	H4: The joint effect of the employee empowerment, job-related attitudes, and institutional factors is significantly greater than the sum of the effects of individual variables on organizational performance	$R^2=.329$; $R^2 =.330$; $R^2 =.334$ ΔR^2 change=.002; ΔR^2 change=.003 $\beta=.548$, $p=.000$; $\beta=.119$, $p=.124$; $\beta=-.091$, $p>0.05$ $t=8.463$, $p<.001$ $t=1.540$, $p<0.05$ $t=-1.254$, $p>0.05$	Supported

Source: Researcher (2014)