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EFFECT OF EMPLOYEE TAKING CHARGE ON THE PERFORMANCE OF SACCOS IN KENYA

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ABSTRACT

Taking Charge is voluntary and positive effort by individual employees to influence or impact on organizational functions in relation to how work assignments carried out by employees. Kenya's Sacco Sector has for years made positive strides as far as population empowerment and economic growth is concerned. Research on Taking Charge has over years enhanced the understanding of Proactivity by addressing initiative- based actions that set out to shape organizational processes and procedures. This study sought to establish the effect of employees taking charge at the place of work on the overall performance of Kenya's Sacco Sector. The study used descriptive research design for the analysis since it was deemed suitable. The study majorly focused on the supervisors and middle cadre employees in the Sacco Sector as the target population while conducting this study. The study sample was derived from Kenya Sacco Sector population while instruments used to collect data were tested for reliability and validity prior to the collection of data. The sample size used in the study was 300 employees in Kenya's Sacco Sector. The analysis of the study was done using SPSS-AMOS software version 21 while the model adopted for the analysis was Structural Equation Modeling. The study's findings and recommendations included; The Kenyan Sacco Sector should enhance an enabling environment for employees to engage in initiative based actions that can help improve their performance. Employees in the sector should be supported by their supervisors or line managers to motivate them towards better performance by Taking Charge at work.

Key Words: Taking Charge, Perceived Supervisor Support, Organizational Performance

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INTRODUCTION

The concept of Taking Charge as an act of willingness by individual employees to engage in voluntary functional positive or value addition change within the organizational set up as far as their work is concerned (Liang & Crant, 2010). Taking Charge is needed in Kenya's Sacco Sector since it helps employees to engage in actions that are initiative oriented geared towards shaping the sectors work processes and procedures. A study conducted by Julie, (2011) it was revealed organizational performance can be improved through efforts and campaigns geared towards ensuring that there is sustained continuers improvement in service delivery. The practice of employees Taking Charge not only assists employees learn and take control of situations but leads to the enhancing of Proactive Work Behavior among worker leading to better performance (Bindle & Parker, 2012). It is on this basis that the study sought to explore the effect of Taking Charge on the Performance of the Sacco Sector.

Objectives of the study

The main objectives that guided this study included;

- To explore the effect of Taking Charge on the Performance of Kenya's Sacco Sector.
- To establish the influence of Perceived Supervisor Support on the relationship between Taking Charge and Performance in Kenya's Sacco Sector.

Hypothesis of the study

- Taking Charge significantly influences the Performance of Kenya's Sacco Sector.
- Perceived Supervisor Support significantly moderates the relationship between Taking Charge and Performance in Kenya's Sacco Sector.

LITERATURE REVIEW

This section presents a review of literature on key constructs of the study while exploring their impact on the dependent and independent variables. It focuses on the relevant theoretical and empirical literature review, summary and research gaps identified. (Haslam, Reicher and Platow, 2011) stated that extra ordinary performance calls for the leaders to instill among the employees a culture that shall prompt or convict them to think and voluntarily take action in pursuit of organizational strategic objectives, this in their opinion would challenge them to be more focused on the organizations goals.

Jeffry (2010) was of the opinion that Taking Charge is an effort tailored towards optimizing critical procedural issues within the organizations system of work. Taking Charge to Jeffry, advances and at the same progressively continues to contribute to the need for the employees to understand and embrace proactivity which shall help them engage in taking initiative based actions that are geared towards positively shaping organizational processes and procedures and positively impacting Performance (Parker & Collins, 2010). The need to deliver in relation to performance can lead to a situation where employees challenge each other engage in personal initiative oriented practices that easily make them to take charge of their job assignments and in the process improve performance at all levels.

METHODOLOGY

Descriptive research design was adopted in the analysis of the study to attain the objectives intended to be achieved. The choice of the research design was informed by the fact that it explains in detail the uniqueness of a particular individual or group of people while making adequate provision for protection against bias and at the same time maximizing on the reliability of the tools used in the study (Shields & Tajalli, 2011). Taking Charge as a predictor variable and Employee Performance as a dependant variable was moderated by Perceived Supervisor Support. The sample for the study was derived from employee population in Kenya's Sacco Sector with focus on supervisors and middle cadre employees The sample size used in this study was 300 employees from Kenya's Sacco Sector. The analysis of the data was conducted using the SPSS- AMOS software version 21, this is because it was deemed suitable for analyzing data using the Structural Equation Model. The analysis process involved the use Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA).

The test for validity was done using the Exploratory Factor Analysis (EFA) and factor loadings of ≥ 0.5 were presumed to be within the recommended threshold (Hair, 2010).

The study carried out checks for Multicollinearity and Heroscedasticity to check for the extent to which independent variables relate. The study used Structural Equation Modeling to address the challenges posed by errors that are not usually dealt with while using the regression model (Taylor & Francis, 2010). The study used the

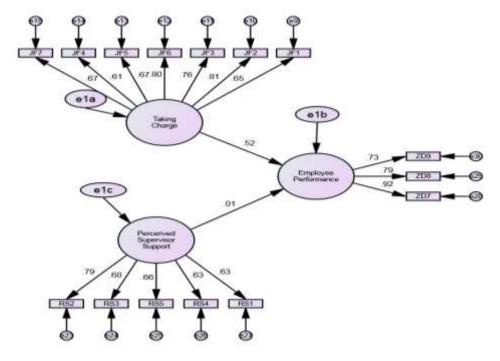
Statistical Package for Social Sciences (SPSS) and Analysis of a Moments Structure (AMOS) software windows version 21 due to its ability to analyze data with ease and high level of accuracy.

FINDINGS

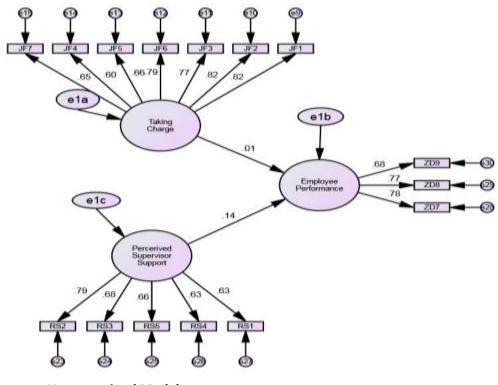
The study sought to establish the relationship between Taking Charge and **Employee** Performance in Kenya's Sacco Sector. The findings of the study revealed that there was a significant positive relationship between Taking Charge and Employee Performance in Kenya's Sacco Sector. This assumption was supported by the model fit indices that posted an output including; CMIN 155.079, CM/DF 1.762, GFI 0.932, CFI 0.962, RMSEA 0.050 and a Pclose of 0.459. The regression weights posted for the relationship between the two variables was 0.037, meaning that Taking Charge made a contribution of 4% to the influence of performance in Kenya's Sacco Sector. The findings of the study also established that Perceived Supervisor Support (PSS) moderated the relationship between Taking Charge and Employee Performance in Kenya's Sacco Sector. The findings of the moderation effect on the relationship between Taking Charge and Employee Performance posted an output of a Chi-Square difference of 135.902 which was above the recommended threshold of ≥3.84 (Zainudin Awang, 2014). This showed that Perceived Supervisor Support significantly moderates the influence of Taking Charge on Employee Performance in Kenya's Sacco Sector. Table 1 showed the details of the moderation test for Taking Charge and Employee Performance.

Table 1: Moderation test for Taking Charge and Employee Performance

	Constrained	Unconstrained	Chi-Square	Results on	Results on
	Model	Model	Difference	Moderation	Hypotheses
Chi-Square	290.981	155.079	135.902	Significant	Supported



Constrained Model



Unconstrained Model

Figure 1: Moderation models for Taking Charge and Employee

DISCUSSION

The study findings revealed that Taking Charge had a weak positive influence on Employee Performance at the Kenya's Sacco Sector as indicated by the regression weights output of 0.037 implying that Taking Charge among employees in the Sacco Sector contributes to the study by 4% in the relationship between Taking Charge and Employee Performance. The findings indicated that Taking Charge on its own makes very minimal contribution towards enhancing Performance among employees in Kenya's Sacco

Sector. This was supported by the output of the model fit indices as extracted from the analysis.

The model fit indices output was significant since they were within the recommended threshold including; CMIN=79.124, CM/DF =2.327, GFI =0.951, RMSEA =0.067, Pclose = 0.074

Table 2 showed the output of the Standardized Regression Weights for Taking Charge and Employee Performance while figure 2 showed the CFA model for the relationship between the two variables. Figure 2 showed that the loadings were within the set threshold.

Table 2: Standardized Regression Weights for Taking Charge and Employee Performance.

Item		Unobserved Variable	Standard Estimate	S.E.	C.R.	Р	Label
Employee_Performance	<	Taking_Charge	.037	.059	.538	.591	
JF1	<	Taking Charge	.820				
JF2	<	Taking Charge	.821	.065	16.068	***	
JF3	<	Taking_Charge	.770	.063	14.767	***	
JF6	<	Taking_Charge	.795	.069	15.403	***	
JF5	<	Taking_Charge	.664	.071	12.203	***	
JF4	<	Taking_Charge	.599	.078	10.751	***	
JF7	<	Taking_Charge	.651	.065	11.904	***	
ZD7	<	Employee_Performance	.779				
ZD8	<	Employee_Performance	.769	.099	10.137	***	
ZD9	<	Employee_Performance	.678	.084	9.850	***	

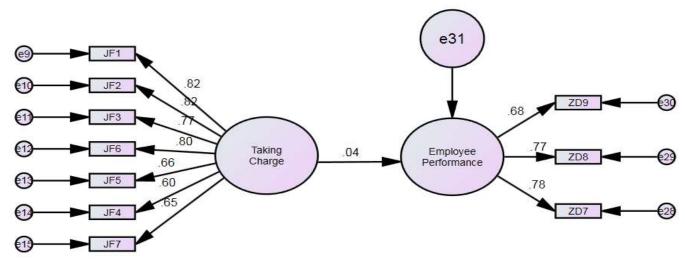


Figure 2: CFA model for Taking Charge and Employee Performance

 x^2 = 155.079, CM/DF= 1.762, GFI= 0.932, CFI= 0.962, RMSEA= 0.050 and Pclose= 0.459

The study further sought to explore the moderating effect of Perceived Supervisor Support on the relationship between Taking Charge and Employee Performance in Kenya's Sacco Sector. To test for moderation, two models were used where one was constrained while the other model was not constrained to get the Chi- Square of the difference between constrained model and the unconstrained model. In Zainudin Awang's (2014) opinion a Chi-Square that is ≥ 3.84 for a moderated model indicates that the moderation results are significant. Perceived Supervisor Support based on the findings significantly

moderates the relationship between Taking Charge and Employee Performance in the Kenya's Sacco Sector having posted a Chi-Square of 135.902 and a DF of 1 which was way above the ≥3.84 threshold. This means that Perceived Supervisor Support significantly contributes to the influence of Taking Charge on Employee Performance in Kenya's Sacco Sector. Table 3 showed the output of the moderation effect of Perceived Supervisor Support on the relationship between Taking Charge and Employee Performance in the Kenya's Sacco Sector.

Table 3: Moderation test for Taking Charge and Employee Performance

	Constrained	Unconstrained	Chi-Square	Results on	Results on
	Model	Model	Difference	Moderation	Hypotheses
Chi-Square	290.981	155.079	135.902	Significant	Supported

Hypothesis for the study

This study sought to determine the influence of Taking Charge on Employee Performance in Kenya's Sacco Sector. The test for the relationship between the two variables posted a regression weight of 0.037 which pointed to the fact that Taking Charge makes a contribution of 4% to the influence of Employee

Performance in Kenya's Sacco Sector. A test of Normality was equally carried out to check for the influence of Taking Charge on Employee Performance giving an output that is shown in table 4. The values of skewness ranged between -1 and +1 showing a normal distribution on the Q-Q plot. The study hence tested the null hypothesis.

Table 4: Model Fit Indices for the Influence of Taking Charge on Employee Performance in the Kenyan Sacco Sector.

Model	CMIN	CM/DF	GFI	CFI	RMSEA	P Close
Default Model	79.124	2.327	0.951	0.965	0.067	0.074
Saturated Model	0.000	-	1.000	1.000	-	-
Independence Model	1346.933	29.932	0.412	0.000	0.311	0.000

H_{01:} Employees who take charge negatively influence Employee Performance in the Kenyan Sacco Sector. The findings of the study revealed that there is a weak positive relationship between Taking Charge and Employee Performance. This is backed by the model fit indices output showing that GFI, CFI, REMSEA and Pclose were significant posting figures that were within the recommended thresholds

(Asare- Bediako, 2008). This is further supported by the CFA output of the relationship between the two variables as 4% contribution made by Taking Charge. This therefore showed that there is a weak positive relationship between the two constructs. It is on this basis that the H₀₁: NULL Hypothesis was rejected hence accepting the Alternate hypothesis. Taking Charge is not limited being committed to work

among employees but also plays a critical role in giving the required insight to the concerned workers on the what it takes to accomplish work related assignments with clarity of their duties, responsibilities and the process of work (Boselie et al., 2005; Collins & Smith 2006; Hailey et al., 2005).

CONCLUSION

The findings of the study indicated that Taking Charge does not significantly influence the performance of employees in Kenya's Sacco Sector. This is because it makes a contribution of 4% in its influence on the performance of employees in the Sacco Sector. Jeffry (2010) Taking Charge by employees not only helps them recognize and optimize critical organizational procedural issues within the organizations system but also advances continuers and progressively contributes to a holistic understanding of the need to engage in initiative based actions geared towards shaping the organizational processes and procedures (Parker & Collins 2010). The findings indicated that Taking Charge on its own does not have a significant influence on the performance of employees in Kenya's Sacco Sector. Perceived Supervisor Support significantly influences the relationship between Taking Charge and Employee Performance in Kenya's Sacco Sector.

RECOMMENDATIONS

The outcome of this study provided scholars and other practitioners with important insights on the

effect of Taking Charge on Employee Performance in Kenya's Sacco Sector. Kenya's Sacco Sector should hence institute mechanisms that can set a platform where employees can easily engage in initiative based actions that will enhance improved performance. Taking charge should be emphasized by the organization setting up structures that can enable the facilitation of such practices. Taking Charge gives employees good exposure and more so confidence, building trust between the supervisor and the employees in Kenya's Sacco Sector. This study hence recommends that necessary measures must be taken to ensure that the Kenyan Sacco Sector employees embrace the act of taking charge at work. The organizations decision makers should create an environment where the required standards.

Areas for further research

The study focused so much on cross-sectional survey which concentrated a lot on a single subject and as a result restricting respondents to the subject matter hence limiting the response to the particular scope. This made respondents to only respond on issues whose scope was so narrow despite the fact that performance is at times affected by the kind of strategy adopted and decisions taken at a given point of time. This study therefore recommended a longitudinal study be carried out to discover and offer solutions to some of the highlighted limitations of the study.

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