

INFLUENCE OF EMPLOYEE ENGAGEMENT ON ORGANIZATIONAL PERFORMANCE IN STATE CORPORATIONS IN KENYA



Vol. 7, Iss. 4, pp 1037 – 1053 November 14, 2020. www.strategicjournals.com, ©Strategic Journals

# INFLUENCE OF EMPLOYEE ENGAGEMENT ON ORGANIZATIONAL PERFORMANCE IN STATE CORPORATIONS IN KENYA

Chepkwony, E. C., <sup>1\*</sup> Omwenga, E.<sup>2</sup>

<sup>1\*</sup> Master of Science Candidate, Human Resource Management, Jomo Kenyatta University of Agriculture and Technology [JKUAT], Kenya

<sup>2</sup> Ph.D, Lecturer, Jomo Kenyatta University of Agriculture and Technology [JKUAT], Kenya

# Accepted: November 12, 2020

# ABSTRACT

This study investigated the influence that employee engagement has on the overall organizational performance particularly in Kenyan State Corporations. This study used descriptive survey design. This study targeted 499 respondents, including 62 top level management, 106 middle level management and 331 lower level staff in Post bank, Kenya railways and Nzoia Sugar. Stratified random sampling was used to select 15 top level management, 25 middle level management and 79 lower level staff resulting to a total sample size of 119 respondents. Secondary data was obtained from the three State Corporations publications that touched on employee engagement and performance. Questionnaires used in the survey formed the primary data and it was analyzed by use of Statistical Packages for Social Science version 23. Multiple regression analysis was done to test the relationship between the independent and dependent variables. The study found out that job satisfaction positively increases the performance of the organization. Nevertheless the employees were not satisfied with their job. They did not get a chance to do different things from time to time and had no chance to be "somebody" in the community. Employees were not able to do things that don't go against their conscience, this indicated that they were not satisfied and this affected the organization performance. It was found out that employee's relations influenced organization performance. There was need to have an open communication from the management since it was noted to be missing. The employees input were not recognized in all levels of management and there was no constant feedback from the leaders about the progress. There should be enhancement of positive attitude expressed by their fellow employees. It was found out that employees did not feel themselves to be a part of the organization and they were not quite proud to be able to tell people about their company. They did not think that the offer of a little more money with another company would not seriously make them think of changing jobs and they would not recommend a close friend to join the companies. The organization did not identify and define training needs and there was no defining of the learning required in terms of what skills and knowledge. The organizations did not define the objectives of the training there were no planning of training programs to meet the needs and objectives by using right combination for training techniques and locations.

Key Words: Job Satisfaction, Employee Relations, Employee Commitment, Training

**CITATION:** Chepkwony, E. C., & Omwenga, E. (2020). Influence of employee engagement on organizational performance in state corporations in Kenya. *The Strategic Journal of Business & Change Management*, 7 (4), 1037 – 1053.

# INTRODUCTION

As asserted by Catlette and Hadden, (2011) employee engagement was the extent to which employees felt passionate about the work they do and their commitment to the State Corporations or other organizations. Engaged employees were likely to put discretionary effort to do an excellent job. Employee engagement was quite different from employee satisfaction. Employee satisfaction referred to the extent to which employees were happy and content with the work and overall organization on a more important level. Employee engagement goes beyond events, activities, and engagement (Susan, 2013). Employee engagement was often tailored to guarantee performance. Organizations and State Corporations which have engaged employees tend to perceive the whole organization in regards to how they fit in and their purpose of being in the company.

The continent of Africa had been left behind evident by the development indicators. This was evidenced by the Gross national income in Purchasing Power Parity which was US\$ 2480 while the rest of the world had UD\$9190 (Is there a looming debt crisis facing Africa's delicate economies? The Standard", 2019). These figures indicated that Africa was likely to miss out on Millennium Development goals which need to be accomplished by the State Corporations. The International Monetary fund found out in 2018 that one third of developed economies were in 85% public debt ("African Economic Outlook", 2019).

State Corporations were first established during the independence of Kenya in 1963 (Sang, 2016). The goal of State Corporations were based on the national desire to redress regional economic imbalances, accelerate economic social development, promote employee engagement, and increase citizens' participation in the economy and to promote foreign investments through joint ventures (Sang, 2016). A report on the Review of Statutory Boards indicated various reasons why the growth of State Corporations had not been accomplished. Some of the challenges which were

facing the State Corporations included: prolonged inefficiency, malpractices, mismanagement and lack of employee engagement (GOK report, 2019).

State Corporations were unelected governmental bodies which had an internal hierarchy with the goal of exerting control over the economic and social aspects of life in their environs (Oloo, 2019). An example would be a steel corporation which was acting as a cartel for controlling policy, wages and prices of the steel industry. Countries which had corporations running their industries as well as the economic and political powers were known to have corporatist systems in place (Sang, 2016). Kenyan State Corporations played a significant role in the countries development. It was important for the employees of the State Corporations to be engaged to ensure results. Not much had been done to ensure employee engagement in State Corporations but there was still room for improvement.

When President Uhuru Kenyatta took office in 2013 one of his first agenda was to set up a presidential task force to work on parastatal reforms. The Kenya Railways Corporation was one which needed much reform (Oloo, 2019). The presidential task force indicated that the woes of various parastatals was mainly embedded on the fact that they lacked strategic vision of possibilities of the entities leading to negative effects into the wider economy. Some of these challenges faced by State Corporations indicated the lack of employee engagement which affected the overall State Corporation performance. There are 187 State Corporations in Kenya (Oloo, 2019). These included; 62 executive agencies, 55 commercial State Corporations, 45 higher education and research institutions and 25 independent regulatory agencies (Oloo, 2019).

# **Statement of the Problem**

The performance of an individual or an organization depended heavily on all organizational policies, practices, and design features of an organization. This integrative perspective represented a configurational approach to strategic human resources management which argued that patterns of HR activities, as opposed to single activities, were necessary to achieve organizational objectives (Mann & Harter 2016). Employee engagement was one of the key determinants fostering high levels of employee performance, as is constantly shown in a number of studies.

The developing countries in Africa have State Corporations, whose role was creation of employment, driving the economic growth and facilitating the private sector operations (Jackson, 2014). The past years had presented challenges in employee engagement in State Corporations due to the uncertainty of the economy. The economic recession begun in 2008 which led to major decisions in regards to the big four agenda being made by the State Corporations' managers (Jackson, 2014). According to Gallup's State of the Global Workplace Report (2019) only 15% of employees were engaged in their jobs in the government. One of the most significant challenges faced by State Corporations was in attracting, developing and retaining talent. The Federal Employee Viewpoint Survey conducted in 2014 showed that there was an overall decline in employee engagement.

Hay Group (2013) indicated that the average engagement level was 73% for State Corporations that performed well in 390 organizations worldwide. The statistics indicated that employee engagement was increasing in Middle East and Africa due to employees' willingness to give more. An Employee Engagement Report (2011) showed that 54% of employees in State Corporations disengaged. In State Corporations poor employee engagement presented a significant challenge. The poor employee engagement in State Corporations had resulted in employee's poor performance (Sang, 2016). There was a problem of poor performance of State Corporations that drain the exchequer and also resulted into non-delivery of intended services. This had a negative implication on the welfare of Kenyan Citizens and may also have hindered the realization of the Vision 2030. This was evidenced by Government report in 2016/17, eleven (11) State Corporations made

losses, compared to twelve (12) in 2014/15 and sixteen (16) in 2013/12. This represents 21%, 23% and 31% respectively of all Government Owned Entities. A report from the Annual Public Debt 2011/2012, indicated that of the Kshs. 961.3 million payments by the Government on Guaranteed Debt in 2011/12, 95.6% was on to two (2) State Corporations, pointing to significant defaults in payments (RoK, 2018).

According to Aswani (2018) employee engagement in Kenyan State Corporations had not been well implemented. Employee engagement was one of the most important strategies in maintaining the best talent in the organization. This indicated need for improvement in Kenyan State Corporations where the engaged employees are only 38.5% (Mutunga, 2009). Organizations are currently targeting higher employee engagement levels. There are a number of factors which are linked to employee engagement including: employee fewer safety incidents, job satisfaction, higher productivity and lower employee turnover. This study sought to address the influence of employee engagement activities on organizational performance in selected State Corporations in Kenya.

# **Objectives of the Study**

The general objective of the study was to assess the influence of employee engagement on organizational performance in State Corporations in Kenya. The specific objectives;

- To identify the influence job satisfaction had on organizational performance in State Corporations in Kenya.
- To find out the influence employee relations had on organizational performance in State Corporations in Kenya.
- To examine the influence employee commitment had on organizational performance in State Corporations in Kenya.
- To assess the influence training had on organizational performance in State Corporations in Kenya.

# LITERATURE REVIEW

#### **Theory of Employee Engagement**

For organizations to have employees who always go over and above was such an important and valuable asset. Organizations that achieved their best have employees who are committed and engaged in their work. Employee engagement was coined by William Khan a psychologist. He was interested in knowing the conditions which cause employee engagement ("William Kahn: The Founding Father of Employee Engagement - Peakon", 2019). More specifically, Khan focused on understanding the factors that led people to do something or not to do it. This basically entailed the aspects that bring about or prevent engagement.

Personal Disengagement and Engagement conditions in the work place was first done by William Khan in 1990. The intent of the researcher at the time was basically to understand through observation the behavior in the work place (Mone, 2018). The research which took place concentrated on two different workplaces: a summer camp and an architectural firm. Time spent in these entities showed that engagement refers to an employee's ability to harness their full capacity even as they work ("William Kahn: The Founding Father of Employee Engagement - Peakon", 2019). Khan identified the three main psychological conditions which enabled employees' engagement including: safety, meaningfulness, and availability.

#### **Attribution Theory**

This is a contemporary theory which drew some of its founding on academic motivation. It involved behavior modification by emphasizing the concept that learners were motivated by pleasant outcomes of being able to feel proud of their own achievements (Martinko, 2018). The Attributional Theory looked at the way in which a person constructs the actual meaning of events. Their perception was often based on the knowledge one has of their environment.

Attribution theory assessed the various ways in which people perceive the world. This included

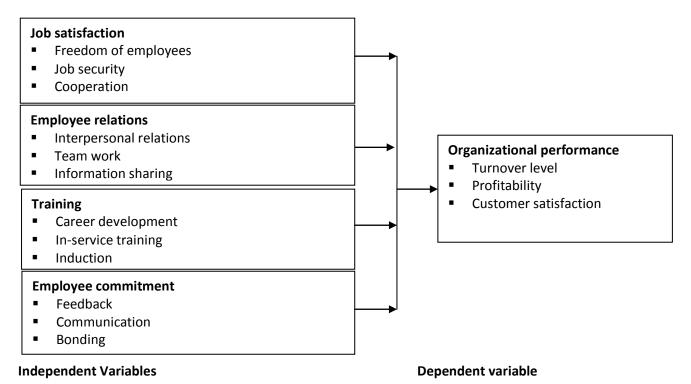
factors such as the things that make people think they behave the way they do as well as other people. Martinko (2018) indicated that in order to understand transient events, one had to attribute the disposition of the actors and the various stable characteristics in the environment. For one to make an attribution, they are required to attain cognitive control of the environment they are in. This is important as it enables an individual to be in a position to understand environmental occurrences and behaviors.

#### Social Exchange Theory

Social exchange theory falls under symbolic interaction perspective. The theory predicted, explained and described when and why people revealed certain information about themselves to others. The social exchange theory used Thibaut and Kelley's theory of interdependence. This theory stated that "relationships grow, develop, deteriorate, and dissolve as a consequence of an unfolding social exchange process. This is often conceived as the bartering of costa and rewards on various partnerships" (Spencer, 2015).

# Theory of Social Action by Max Weber

Max Weber (1864-1920) is the founding father of Sociology. He used structural and action approaches which would aid in development of society and social change clear understanding (Woo Commerce & Thompson, 2019). According to Max Weber, sociology is a science which involves having an of understanding social action through interpretation. This therefore means, there was an explanation for every consequence. Sociological concept coined by Max Weber can be broken down to three main things. 'Verstehen' was the first which means understanding and having empathy in human action and social change. Max Weber pointed these concepts out during his study of "The Protestant Ethic and The Spirit of Capitalism. The second concept involves generalization of motivation and human action. Different organizations had different motivating factors.



# Figure 1: Conceptual Framework

#### **Empirical Review**

Job Satisfaction refers to the extent to which an employee is content and motivated to do their job. Job satisfaction would occur when an employee was in a position to have a good work-life balance, career growth and job stability. This was usually an indicator that the employee was satisfied and content that the organization meets employee expectations (Gennard, 2009).

Job satisfaction is important in an organization as it guarantees that the employee would work their best to deliver their capability. All employees were usually interested with achieving strong career growth and attaining a proper work life balance. Satisfied employees have been found to use exceptional efforts and guarantee results. The importance of having job satisfaction in an organization can be perceived from two angles: employer and employee perspective.

Employee relation involves the body of work concerned with maintaining employer-employee relationships that contribute to satisfactory productivity, motivation, and morale. Industrial relation is a multidisciplinary field that studies the employment relationship (Gennard, 2009). Essentially, employee relation is concerned with preventing and resolving problems involving individual which arise out of or affect work situations.

Advice is provided to supervisors on how to correct poor performance and employee misconduct. In such instances, progressive discipline and regulatory and other requirements must be considered in effecting disciplinary action and in resolving employee grievances and appeals. Information is provided to employees to assist them in correcting poor performance, on or off duty misconduct, and /or to address personal issues that affect them in the work place (Gennard, 2009). Employees are also advises about their grievances and appeal rights and discrimination and whistle blower protection.

Employee commitment refers to the bond employees experience in an organization. Employees are often committed to an organization which they feel a connection to. These employees often feel that they fit in and they understand the overall organizational goal. Employees who are committed have an extra added value since they are more determined to work, have relatively higher productivity and they are more proactive when it comes to offering support ("Factors Influencing Employee Commitment in Kenya", 2015).

Employee engagement differs from employee commitment. Employee engagement involves the intrinsic attitude which results in an employee being enthusiastic in their job ("Factors Influencing Employee Commitment in Kenya", 2015). Employee commitment on the other hand refers to the overall enthusiasm that employee have as they work for their company. Engaged employees show engagement to their work but they are not necessarily committed to the organization. On the other hand, employees who are committed are not necessarily engaged in their work.

Training and development is important in ensuring that employees learn skills and knowledge needed to improve their roles. Development focuses on the growth of an employee and it is geared towards future performance as opposed to their current roles. An effective training and development program results in employee retention of the right and skilled staff while ensuring improved profit margins.

The current world faces high competition on attaining the most competitive employees. This makes the need for employee training and development even more important than ever. Hiring and retention of top talent quires sufficient time and money. The retention of employees also relies on how talent is engaged from time to time which affects the business growth. The Workplace Learning Report from LinkedIn 2019 showed that 82% of Learning and Development professionals believe that their executives actively support the engagement of employees toward improved learning ("The 2019 Workplace Learning Report from LinkedIn Learning", 2019).

The current global market is quite competitive. This results in improved knowledge, capabilities and

training of a talented workforce being essential. Effective training programs are essential when developing the desired skills, knowledge and abilities needed to bring out the best performance. For employees to do their job well, the employers are often tasked with finding the right trainings to be scheduled for their staff (Armstrong & Landers, 2018). Employees are the most valuable asset to an organization since they have the capacity to make or break an organization which would adversely affect the profit of the employees. Training is essential to help both new employees and current employees to be able to master their skills right to ensure they perform effectively. It is the role of the employees to interact with the customer and ensure quality of products delivered. Lack of training translates to not maximizing on the employees potential. Employees who undergo proper training have the ability to get more job satisfaction there by retaining their job better.

# METHODOLOGY

A descriptive survey research design was adopted in this study as it allowed for observation and description of the conduct of a subject matter in absence of impact to it. Due to large sizes of populations, researchers managed to test only a few of the individuals to manage time and expenses (Mugenda & Mugenda, 2003). The study was done in the headquarters of the three State Corporations including; Kenya Railways Corporation, Post Bank and Nzoia Sugar. The particular target population was the management, middle level management and the support staff. The headquarters were also easily accessible making the data collection process manageable. There were 12 top level management employees in Post Bank, 34 Kenya Railways Corporation and 16 at Nzoia Sugar. There were 28 middle level employees at Post Bank, 47 at Kenya Railways Corporation and 31 Nzoia Sugar. There were 105 lower level employees at Post Bank, 127 at Kenya Railways Corporation and 98 Nzoia Sugar. A target population of 499 employees were therefore used (State Corporations' Database, 2019). The study used stratified random sampling technique which involved selecting units from heterogeneous groups in a population. It was chosen since the population was heterogeneous consisting of top, middle and lower level employees. Primary data was collected through semi-structured questionnaires. Secondary data was obtained from e-journal, library materials and documentation records from Kenya Railways Corporation, Post Bank and Nzoia Sugar. The semistructured questionnaire comprised of both open ended and closed ended questions. The collected data was analyzed quantitatively by first coding and then analyzing it using Statistical Package for Social Science (SPSS) Version 23. For the purpose of analyzing the relationships of each of the independent variable on the dependent variable, the study carried out a multiple regression. The model took the form:

 $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \Theta$ 

Where; Y – is the dependent variable (Organization performance)

 $X_{1-}$  Job satisfaction,  $X_{2-}$  Employee relations,  $X_{3-}$  Employee commitment,  $X_{4-}$  Training

 $\beta_0$  – is the constant,  $\Theta$  is the error of prediction.

 $\beta_{1-n}$  = the regression coefficient or change included in Y by each  $\chi$ 

 $\varepsilon$  = error term

The collected data was presented using statistical techniques, including frequency distribution tables and percentages.

# FINDINGS

# Table 1: Job satisfaction and organizational performance

Statements	Mean	Standard deviation
Being able to keep busy all the time.	2.15	1.05
The chance to work alone on the job.	2.32	1.11
The chance to do different things from time to time.	2.18	0.25
The chance to be "somebody" in the community.	2.35	0.36
Being able to do things that don't go against my conscience.	2.14	1.01
The way my job provides for steady employment	2.05	0.25
The way my boss handles his/her personnel.	2.01	0.24
The competence of my supervisor in making decisions.	2.11	0.14
The way department policies are put into practice.	2.35	0.11
My pay and the amount of work I do.	2.14	0.33
The chances for advancement in this job.	2.11	0.21

A large number of respondents disagreed that were able to keep busy all the time as shown by a mean of 2.15 and a standard deviation of 1.05 while majority disagreed that they had a chance to work alone on the job as indicated by a mean of 2.32 and a standard deviation of 1.11. Majority disagreed that they had a chance to do different things from time to time as revealed by a mean of 2.18 and a standard deviation of 0.25 while a large number disagreed that they had the chance to be "somebody" in the community as shown by a mean of 2.35 and a standard deviation of 0.36. A large number disagreed that they were able to do things that don't go against their conscience as indicated by a mean of 2.14 and a standard deviation of 1.01 while majority disagreed that the their job provides for steady employment as shown by a mean of 2.05 and a standard deviation of 0.25. Majority of the respondents disagreed that they were satisfied with the way their bosses handles their personnel as revealed by a mean of 2.01 and a standard deviation of 0.24. A large number disagreed that they were satisfied with the competence of their supervisor in making decisions as shown by a mean of 2.11 and a standard deviation of 0.14 while majority disagreed that they were okay with the way department policies are put into practice as indicated by a mean of 2.35 and a standard deviation of 0.11. A large number disagreed that they were satisfied with their pay and the amount of work they do as revealed by a mean of 2.14 and a standard deviation of 0.33 while majority disagreed that there were chances for advancement in this job as shown by a mean of 2.11 and a standard deviation of 0.21.

Job satisfaction is important in an organization as it guarantees that the employee would work their best to deliver their capability. All employees were usually interested with achieving strong career growth and attaining a proper work life balance. Satisfied employees had been found to use exceptional efforts and guarantee results. The importance of having job satisfaction in an organization can be perceived from two angles: employer and employee perspective.

Employers perceive job satisfaction as a strategy to ensure they get the best out of their staff. This happens because satisfied employees contribute more to the organization which also helps then control attrition and ensure growth. The world had faced numerous changes over the years from being focused on manufacturing aspect to being service oriented. Human Resource Departments in organization need to ensure that employees are content and happy. Employee satisfaction is also referred to as job satisfaction. Job satisfaction is an essential goal for a Human Resource Personnel despite their other key result areas (Gennard, 2009).

# **Employee Relations and Organizational Performance**

This study examined the various aspects of employees' relations and related them to organizational performance. The findings were shown in Table 2.

Table 2: Employ	vee relations e	ffect on organi	izational pe	erformance
	yee relations e	incer on organi	zacional po	

Statements	Mean	Standard deviation
There is open communication from the management	2.35	0.11
Employee input is recognized in all levels of management	2.34	0.26
There is constant feedback from the leaders about the progress	2.18	0.13
Positive attitude is expressed by my fellow employees	1.98	0.52
Employees are treated fairly and honestly by the leadership	1.02	0.11
There is respect from managers to the employees	2.08	0.12

From the findings in Table 2, a large number disagreed that there was open communication from the management as indicated by a mean of 2.35 and a standard deviation of 0.11 while majority disagreed that employee input is recognized in all levels of management as shown by a mean of 2.34 and a standard deviation of 0.26. A large number disagreed that there was constant feedback from the leaders about the progress as revealed by a mean of 2.18 and a standard deviation of 0.13 while most disagreed that positive attitude was expressed by their fellow employees as shown by a mean of 1.98 and a standard deviation of 0.52. Majority disagreed that employees were treated fairly and honestly by the leadership as revealed by a mean of 1.02 and a standard deviation of 0.11 while a large number disagreed that there was respect from

managers to the employees as indicated by a mean of 2.08 and a standard deviation of 0.12.

Every employee deserves to be treated with respect and dignity. There are methods which do not work in employee management and it is important to accept employees for their differences. Everyone has an opinion and they may be different but should be respected (Stewart, 2010). Employees have the capability to improve business based on the ideas that they share but may not necessarily agree with the opinion of management. Equal treatment and fairness to all employees is important. It may be tough but it is possible. Showing outright favoritism can cause grapevine and other issues which will be hard to resolve. It is important to keep the job interesting which improves employee relations. This resulted in time going faster and keeping employees challenged (Stewart, 2010). If the employees get bored, they pay less attention to their duties. There are many ways to keep the job interesting. It could be cross training the employee or giving more responsibility.

# **Employee Commitment and Organizational Performance**

The study examined employee commitment in relation to organization performance. The findings were shown below.

Tab	le 3: Empl	loyees commitment of	effect on organizatio	n performance
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Statements	Mean	Standard deviation
I feel myself to be a part of this organization	2.63	0.63
I am quite proud to be able to tell people the company	2.14	0.24
The offer of a little more money with another company would not seriously make me think of changing jobs	2.19	0.26
I would recommend a close friend to join this company	1.85	0.41
To know that my own work has made a contribution to the good of the organization would please me.	0.52	0.29
In my work, I like to feel that I am making some contribution, not for myself but for the organization as well.	0.65	0.42
I sometimes feel like leaving this company for good	1.24	1.02
I am not willing to do more than my job description requires just to help the organization.	1.42	0.15
Even if the company were not doing well financially, I would be reluctant to change to another company.	1.54	0.85
Working hard leads to good performance	0.85	0.14
Working hard leads to high productivity	1.23	0.63
Working hard leads to doing my job well	1.38	0.47
Generally speaking, I am very satisfied with this job	1.36	0.36
I am generally satisfied with the kind of work I do in this job.	1.45	0.52

Table 3 findings indicated that majority of the respondents disagreed that they felt themselves to be a part of this organization as shown by a mean of 2.63 and a standard deviation of 0.63 while a large number disagreed that they were quite proud to be able to tell people their company as shown by a mean of 2.14 and a standard deviation of 0.24. A large number disagreed that the offer of a little more money with another company would not seriously make them think of changing jobs as shown by a mean of 2.19 and a standard deviation of 0.26 while majority disagreed that they would recommend a close friend to join this company as shown by a mean of 1.85 and a standard deviation of 0.41. Majority disagreed that they knew that their own work had made a contribution to the good of the organization would please me as shown by a mean of 0.52 and a standard deviation of 0.29 while a large number disagreed that they liked to

feel that they were making some contribution, not for themselves but for the organization as well as revealed by a mean of 0.65 and a standard deviation of 0.42. A large number disagreed that they sometimes felt like leaving their company for good as shown by a mean of 1.24 and a standard deviation of 1.02 while many disagreed that they were not willing to do more than their job description requires just to help the organization as shown by a mean of 1.42 and a standard deviation of 0.15. A large number disagreed that even if the company were not doing well financially, they would be reluctant to change to another company as revealed by a mean of 1.54 and a standard deviation of 0.85 while majority disagreed that their working hard leads to good performance as shown by a mean of 0.85 and a standard deviation of 0.14. Majority agreed that working hard leads to high productivity as revealed by a mean of 1.23 and a

standard deviation of 0.63. A large number disagreed that working hard leads to doing their job well as revealed by a mean of 1.38 and a standard deviation of 0.47 while many disagreed that generally speaking, they were very satisfied with this job as revealed by a mean of 1.36 and a standard deviation of 0.36. A large number disagreed that they were generally satisfied with the kind of work they do in this job as shown by a mean of 1.45 and a standard deviation of 0.52.

These findings agreed with Meyer, (2016) who indicated that commitment influenced behavior of employees in the organization. Affectionate, normative, and continuance commitment reflect the psychological state and mind set of employees in the organization. The three-component model

Table 4: Training effect on organization performance

The decision of who provides the training involves everyone

There is evaluation of training after the exercise.

There is amending and extend of training as necessary.

has been viewed as a force which is likely to bind employees towards a specific course of relevant action. All the three components; affection, normative and continuance commitment resulted in a single underlying behavior of employees staying in the organization. There is an increase interest of the world in understanding commitment. Greater involvement in commitment has resulted increased diversity of perspectives, theory development and new research strategies.

# Training and organizational performance

Training and development is important in ensuring that employees learn skills and knowledge needed to improve their roles. This study related various forms of training on organizational performance and the findings are shown below.

1.82

1.08

0.52

Mean	Standard deviation
2.15	0.62
2.35	0.42
1.52	0.85
2.09	1.28
	2.15 2.35 1.52

From the findings a large number of the respondents disagreed that their organization identified and defined training needs as shown by a mean of 2.15 and a standard deviation of 0.62 while a majority disagreed that there was defining of the learning required in terms of what skills and knowledge have to be learnt and what attitudes need to be changed as shown by a mean of 2.35 and a standard deviation of 0.42. Majority disagreed that the organization defines the objectives of the training as shown by a mean of 1.52 and a standard deviation of 0.85 while a large number disagreed that planning of training programs to meet the needs and objectives by using right combination for training techniques and locations as revealed by a mean of 2.09 and a standard deviation of 1.28. A large number disagreed that the decision of who provides the

training involves everyone as shown by a mean of 1.58 and a standard deviation of 1.82 while majority disagreed that there was evaluation of training after the exercise as shown by a mean of 2.47 and a standard deviation of 1.08. A large number disagreed that there was amending and extend of training as necessary as shown by a mean of 1.85 and a standard deviation of 0.52.

1.58

2.47

1.85

The current world faces high competition on attaining the most competitive employees. This makes the need for employee training and development even more important than ever. Hiring and retention of top talent required sufficient time and money. The retention of employees also relies on how talent is engaged from time to time which affects the business growth. The Workplace Learning Report from

LinkedIn 2019 showed that 82% of Learning and Development professionals believe that their executives actively support the engagement of employees toward improved learning ("The 2019 Workplace Learning Report from LinkedIn Learning", 2019).

Training is an important aspect in organizations that are looking into attaining a competitive advantage.

The duties and responsibilities of employees can be well done with training. Previous researches done had shown evidence of positive affect in regards to training programs on both the employee and the organizational performance. Various researches also indicate that effective training programs ensures that there is a superior return on investment (Armstrong & Landers, 2018).

Statements	Mean	Standard deviation
Quality appraisal	2.05	0.25
Turnover levels	2.11	0.52
Profitability	2.54	0.14
Employee commitments	2.60	0.17

Table 5: Level at which organization has performed well in regard to various aspects

The findings indicated that the respondents rated the performance of quality of appraisal to be to a small extent as shown by a mean of 2.05 and a standard deviation of 0.25 while a large number rated the performance of the turnover levels to be low as revealed by a mean of 2.11 and a standard deviation of 0.52. Majority rated the performance of profitability to be low as indicated by a mean of 2.54 and a standard deviation of 0.14 while a large number rated the performance of employee commitments to be low as shown by a mean of 2.60 and a standard deviation of 0.17.

Organizational performance comprises the real yield or results of a company as projected against its expected yields or goals and objectives (Richard, 2009). It comprises the common exercises to build up firm's objectives, monitor advance towards the objectives, and make changes in accordance to

**Table 6: Regression model Summary** 

achieve those goals all the more viably and effectively. The effect of process consultancy on organizational performance can be shown through representative turnover, worker profitability, and corporate social duty.

#### **Regression Analysis**

This study established the relationship between; the sub variable (indicators) of each of the four determinants of the organization performance, as well the relationship with the four determinants. Regression was used to obtain an equation which described the dependent variable in terms of the independent variable based on the regression model, (regression is used to determine the type of relationship).

_		-		•					
-	R	R Square	Adjusted R	Std. Error of	Change Statistics			Durbin-	
			Square	the Estimate	F Change	df1	df2	Sig. F	Watson
								Change	
	0.78	.6084	.56	.64593	2.970	1	109	.0431	2.090

The regression had a correlation coefficient ( $R^2$ ) of about 0.6084 and an adjusted  $R^2$  of 0.56. This meant that job satisfaction, employee relations, employee commitment and training explain 56 percent of the variations in organization

performance. The F-value of 4.31 with a probability of 0.00 at 5% significance level is significant indicated that the joint contribution of the independent variables was significant in predicting the dependent variable.

Model	Sum of squares	Df			
Woder	Juin of squares	DI	Mean Square	F	Sig
Regression	49.136	1	12.5243	23.871	0.00 <sup>b</sup>
Residual	28.821	109	0.2644		
Total	77.957	110			

Table 7 showed the results of the regression analysis based on the sign of the coefficient of 0.00. This means the joint contribution of the four factors: job satisfaction, employee relations, employee commitment and training positively influenced organization performance. This indicated that the other factors that affect organization performance and had not been included in the model are statistically significant in determining organization performance. The constant is also positively related to organization performance implying that the impact of these factors which are not in the model will influence organization performance positively.

# **Table 8: Regression Coefficients**

**Table 7: ANOVA** 

	Unstandardized Coefficients		Standardized Coefficients		
Model	В	Std. Error	Beta	т	Sig.
(Constant)	.512	.160		3.4	.022
Job satisfaction	1.271	.541	.082	2.438	.015
Employee relations	1.237	.368	.061	2.435	.020
Employee commitment	1.281	.471	.490	2.720	.011
Training	.85931	.357	.0.234	2.333	.050

Dependent variable: Organization performance

Hence the resultant regression model is:

 $Y = 0.512 + 1.281X_{1+} 1.271X_2 + 1.237X_3 + 0.8593X_4 + e$ 

Employee commitment is positively related to organization performance and has the most statistically significant coefficient as indicated by a p-value of 0.011. This implied that the employee commitment improvement will positively affect the organization performance.

There was a positive relationship between organization performance and the employee relations. Employee relations also had a statistically significant coefficient as indicated by a p-value of 0.020.

The job satisfaction is positively related to the organization performance. This is shown by the positive sign of the coefficient. The coefficient of job satisfaction is also statistically significant as indicated by a p value of 0.015. The study therefore,

concluded that job satisfaction positively influenced organization performance.

The training is positively related to the organization performance. This was shown by the positive sign of the coefficient. The coefficient was statistically significant as indicated by p-value of 0.050.

#### CONCLUSION AND RECOMMENDATION

The first objective of the study was to find out the influence of job satisfaction on organization performance. Basing on the study above, it was clear that job satisfaction positively increases the performance of the organization. Nevertheless the employees are not satisfied with their job. They do not get a chance to do different things from time to time and have no chance to be "somebody" in the community. Employees are not able to do things that don't go against their conscience, this indicates that they are no satisfied and this affects the organization performance.

It was concluded that employee's relations influenced organization performance. There was need to have an open communication from the management since it was noted to be missing. The employees input are not recognized in all levels of management and there was no constant feedback from the leaders about the progress. There should be enhancement of positive attitude expressed by their fellow employees.

It was concluded that employee commitment influences organization performance. It was found out that employees did not feel themselves to be a part of this organization and they were not quite proud to be able to tell people about their company. They do not think that the offer of a little more money with another company would not seriously make them think of changing jobs and they would not recommend a close friend to join this company.

It was concluded that the training affects organization performance. The organization did not identify and define training needs and there is no defining of the learning required in terms of what skills and knowledge. The organization did define the objectives of the training there was no planning of training programs to meet the needs and objectives by using right combination for training techniques and locations.

It was recommended that it is necessary for the employees to have experience to better their performance with job satisfaction. The state corporations need to motivate their employees. This can be done through rewards and providing a conducive environment for working.

The state corporations' management should enhance employees' relations. There is need to have an open communication from the management since it was noted to be missing. The employees input should be recognized in all levels of management and there should be constant feedback from the leaders about the progress.

The state corporation should improve the employee commitment since it influences organization performance. The organization should endeavor to entice their employees in loving their work. This can be done through team buildings and involving the employees in decision making so that they feel they own the organization and that they are important.

It is necessary for the management to make sure they consider coming up with training programs that can be in-service. This will help enhance the employees' skills and development that will enhance the performance of the organization.

# Areas for Further Research

Opportunities for further research still exist in this area. The study examined only four factors of employee engagement that influence the organization performance at State corporations, therefore, further research should be carried out on other factors like leadership and management.

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