

DETERMINANTS OF EMPLOYEE PERFORMANCE IN COURIER INDUSTRY IN KENYA: A CASE OF G4S COURIER SERVICES

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## Vol. 3, Iss. 2 (19), pp 402-427, May 10, 2016, www.strategicjournals.com, ©strategic Journals

## DETERMINANTS OF EMPLOYEE PERFORMANCE IN COURIER INDUSTRY IN KENYA: A CASE OF G4S COURIER SERVICES

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#### Accepted May 9, 2016

#### ABSTRACT

Poor performance by employees in organisations dealing with courier services is reflected in high indiscipline cases, customer complaints, lack of customer retention, poor communication and poor service delivery. Hence, leading to the failure in service delivery by some companies offering courier services. This study concentrated on assessing the determinants of employee performance in courier industry in Kenya with specific focus on G4S courier services. Specifically the study focused on the influence of disciplinary procedure, management style, communication and customer care on the performance of employees in G4S courier services. The study used stratified random sampling method to select the desired sample size of 220 respondents (20%) targeting the Operation managers, Supervisors, Riders and the couriers. To obtain information on the performance of employees in G4S courier services both primary and secondary data collection methods was used through the use of questionnaires with both closed and open-ended questions. The questionnaire was pretested in a pilot study to determine the validity and the reliability of the instruments. The collected data was analysed with the help of SPSS version 20. Both descriptive and inferential statistics were used to analyse the data which had then been presented in form of suitable graphs, means, pie charts and tables. Results of regression analysis showed an R2 value of .518 indicating that the model can explain 51.8% of the variation in Employee Performance. Regression model of employee performance on disciplinary procedure, management style, communication and customer care revealed that the coefficients for disciplinary procedure, management style and communication were significant at 5% level of significance. Therefore, this study concluded that employee performance could be predicted using disciplinary procedure, management style and communication. However, the coefficient for customer care was not significant. This study recommended that there should be an increase in employee and management interactions as well as guided discussions to achieve efficacy in service delivery in courier industry.

*Key Words:* Employee Performance, Courier Industry in Kenya, Disciplinary Procedure, Management style, Communication, Customer Care.

#### Background of the Study

Employee performance has generated a lot of interest to the management of organisations as globalisation opens up markets for competition. The only source of competitive advantage within organisations is the human capital. Poor performance of the employees eventually reflects poor performance of the organisation (Kirk & Brown, 2003). According to Garavan et al. (2002) competition brought about by globalisation has put pressure on organisations as they struggle to be world-class, to lower costs, to make employees more productive, and to do things better. Globalization has become the major human resource challenge. Since human resource is the company's vital asset to compete internationally, the human resource has to be knowledgeable, competent and abide by the set standards of discipline, good management style, and correct channels of communication as well as good customer care. Employee workplace discipline is imperative to every business if it is to be able to meet its customer expectations (Garavan et al., 2002).

It is widely recognized that the workplace is changing in line with changes in global economic trends (McDaid, Curran, & Knapp, 2005). The changes in working conditions are continuously increasing the demands that employees have to meet in their everyday working lives. Employers have been encouraged by the government to take measures to promote the wellbeing of their employees. One of the ways in which organisations have been attending to the promotion of the psychological wellbeing of their workforce is through well-established Employee Assistance Programmes (McLeod, 2001). EAPs are seen as an appropriate mechanism which help monitor employee personal difficulties thus benefiting work performance and cutting costs (Kirk & Brown, 2003).

An important element of human resource management is employee discipline. According to Foucault (2013), discipline is an effective means of

controlling and being able to predict such matters as employee behaviour. The role of discipline is to ensure that many people do their jobs in a uniform manner and with identical results. This discipline is shown in the practices in which people are involved, and it is thus relevant in organizational studies to start with the processes that people perform. In order that employee performance is good they need to ensure that there is proper discipline among staff, good management style, communication as well as customer care.

#### **Global Perspective of Employee Performance**

Despite growth of internet use as a means of communication over the recent past, the use of courier services has not diminished but instead has been showing signs of rapid growth. Internet commerce has been a main contributor to growth of courier service providers (CSPs). This is because, consumers can now purchase commodities from anywhere in the globe via the internet and then it becomes the job of CSPs to deliver such goods to the purchaser within a given time period. In this regard, a growing number of shippers across the world are exploring CSP solutions to transport their cargoes, parcels, and documents guickly. Thus CSPs are under pressure to provide value added services that ensures speedy, accurate and safe delivery. Due to the frequency of such deliveries, service reliability has been identified as key source of strategic advantage (Stock & Lambert, 2001).

In view of rising inter-firm competition as well as threats of substitutes, the courier services industry must find new ways of improving their competitiveness. A business that wants to succeed in today's global competitive market where customers are empowered and brand loyalty erosion is increasing will have to move to customer relationship management (CRM). Customer relationship management enables organisations to provide excellent real-time customer service through the effective use of individual account information (Kotler & Keller, 2006).In 2008, there were about 1,987 courier establishments in Canada that generated almost \$7.2 billion in operating revenue, an increase of 6% over 2007. While this segment accounted for only 10% of all the industry's establishments, couriers generated 82% of the total operating revenue. Courier establishments had an average operating margin of about \$299,000 per establishment and the segment's operating ratio was 0.92 (Weber & Kauffman, 2003).

The Ministry of Science Technology and Innovation in Malaysia ranked Malaysia Postal Administration at 24th in the Innovation Competitiveness and at 26th in the Global Competitiveness Index for the year 2010-2011. The Postal and courier service in Malaysia is part of the service sector that continues to develop. The recent launch of Economic Transformation Program (ETP) by the government of Malaysia is expected to have more positive impact on the sector. The courier market could reach USD 1.3 billion by the year 2020. However, this industry faces challenges as a result of globalization. Although, the Malaysia courier market has grown at 7 percent annually in average, this industry has numerous challenges ahead in terms of low profit margin, access to capital, technology adoption, and quality (Ringim & Razalli, 1998). In responding to this falling market share Matlay and Addis (2000) observed that the Postal Courier providers increased their operational efficiencies by exploiting growth opportunities in certain niche sectors of the market.

A study carried out at Brown University, established that supervisors and managers are encouraged to set clear expectations for acceptable work performance and use of informal feedback as an initial way to correct unsatisfactory work performance. As described more fully in the Employee Relations policy, if informal feedback does not correct a problem, more formal measures should be taken to improve the staff member's work performance (Brown University, 2014). A study carried out at Queen's University Kingston, Ontario Canada the available alternatives for dealing with employee performance and disciplinary problems, Improvement efforts should focus on correcting the problem, preventing recurrence and restoring the individual to a healthy, satisfying work relationship (Queens University, 2014).

If the goal is to correct the problem, then recognizing the type of problem involved is crucial to determining an appropriate strategy for improvement (Queens University, 2011). Performance problems will usually occur if supervisors do not provide the proper kind of direction and information, if they provide negative or inappropriate feedback, or if supervision is inconsistent. Poor performance may occur when the organization makes a poor job assignment. This is more likely to occur in a growing organization, but it also occurs in more stable situations. The problem lies in promoting, transfer-ring, or otherwise assigning an employee to a job to which he/she is not fitted because of a lack of training, personal skill, background, or experience (Cranny, Smith & Stone, 1992).

## The Local Perspective of Employee Performance

The Courier industry in Kenya has been witnessing growth, both in revenue and number of service providers. This is in spite of the challenges that have been facing the Kenyan economy as well as threats posed by greater internet penetration. In Kenya the courier industry plays a very important role in facilitating movement of parcels and documents. Despite the economic slowdown and threats posed by technological advancement, postal and courier services still record good performance as more businesses outsource mail delivery to concentrate on their core businesses. According to the Communication Commission of Kenya (CCK), revenue generated by the industry grew by 86 per cent from Sh1.06 billion in 2007 to Sh1.99 billion in 2008. Both the postal industry and courier industry contributes approximately Sh7 billion to the Kenyan economy, a figure CCK expects to grow to Sh17 billion by 2013(CCK,

2009). This represents a significant economic value to the country's GDP. Besides this, the courier industry is a major employer in Kenya. The industry retains riders, couriers, and administrative staff among others.

## **G4S Kenya Limited**

The Leading Security Expert G4S Kenya limited is the local subsidiary of G4S plc, the world's leading international security solutions group. Specializing in sectors where safety & Security are considered a threat. G4S Security Kenya is the market leader in security services and secure logistics with over 40 years of experience. The organizational purpose at G4S according to G4S (2013) are captured in the mission and vision of the Company.

## **Statement of the Problem**

In Kenya the courier industry plays a very important role in facilitating movement of cash as well as delivery of bulk paperwork, parcels and pharmaceutical products among others. Along with the postal sector, the courier industry contributes approximately Sh7 billion to the Kenyan economy (Lati et al. 2009). This represents a significant economic value to the country's GDP. However, little or no attention has been provided to regulate the industry and ensure effective service delivery and performance of the employees in this industry (Lati et al. 2009). The industry is therefore prone to poor service delivery that often goes unnoticed or corrected due to lack of regulations and effective procedures within the industry. This hence impacts negatively on organization performance.

According to CCK (2009), due to lack of regulation and appropriate procedures, the courier industry witnessed poor performance that is mainly attributed to lack of discipline among the workers, loopholes in administrative issues exposing the service to theft, and poor management practices (Lati *et al.*, 2009). Additionally, the service is characterised by scandals and complaints from customers due to poor services (CIAK, 2010). The average number of complaints stands at 5000 per month in every CSP (CCK, 2009). Discipline cases on the other hand have been identified as a major obstacle to efficient service delivery. 2 out of 10 employees in courier service business lack courtesy and required discipline to offer quality services (RoK, 2012).

While effective communication has been identified as a major determinant of performance in the service sector, the courier industry is constantly hampered by communication problems. According to a survey by Pricewater house Coopers there is a communication gap in 33% of companies in the private industry, and especially in courier services, hindering efficient delivery (PwC of services 2014). The communication gap coupled with poor management in the courier companies hinders the performance of the sector (Lati et al., 2009).

There is need to address the poor performance in the courier services industry to avert customer dissatisfaction and consequently loss of customers that will negatively affect growth prospects of an otherwise vibrant industry (KSIA, 2010). Ameyo (2005) identified poor customer care as a key challenge that had made PCK lose 38% of their client base to emerging couriers. This study therefore was seeking to assess the determinants of employee performance of courier services in Kenya.

## **General Objective**

To assess the determinants of employee performance in courier industry in Kenya, with specific focus on G4S courier services Kenya.

## **Specific objectives**

The specific objectives of the study were:

 To determine the influence of disciplinary procedure on the performance of employees in G4S Courier Services Kenya

- To assess the effect of management style on the performance of employees in G4S Courier Services Kenya
- To establish the influence of communication on the performance of employees in G4S Courier Services Kenya
- To find out the effect of customer care on performance of employees in G4S Courier Services Kenya

## LITERATURE REVIEW

This chapter reviewed existing literature and in particular theoretical framework and conceptual framework.

## **Theoretical Review**

Kombo and Tromp (2006) define a theory as a seasoned statement or groups of statements which are supported by evidence, meant to explain phenomena. The study was be guided by Theory X and Theory Y, reactance theory, competitive advantage theory and the seven C's of Communication.

## Theory X and Theory Y

The proponent of this theory is MC Gregory (1966). This theory explains two conflicting observations of people at work that will influence management style. The managers are perceived to follow either view of their workforce. Theory X is perceived as a traditional view of direction and control. Theory Y involves a more self-directed workforce that takes an interest in the goals of their organization and incorporates some of their own goals into these. Theory X assumes that the average person dislikes work and will avoid it unless directly supervised, the employees must be coerced, controlled and directed to ensure the organizational objectives are met; the threat of punishment must exist within an organization and they prefer to be managed this way to avoid responsibility. It also assumes that people are relatively unambitious and their prime driving force is the desire for security (Mat, 2008). On the other hand Theory Y is the extreme opposite and perceives employees to be motivated, keen to take greater accountability and apply both selfcontrol and direction: the employees will conditions work towards organizational objectives and that commitment will in itself be rewarded for so doing. The employees will exercise their thoughts and imagination in their jobs if given the chance and this will give an opportunity for greater productivity.

## **Reactance Theory**

The theory states that given that a person has a set of free behaviours, he/she will experience reactance whenever any of these behaviours is eliminated or threatened with elimination (Brehm, 1966; Brehm & Brehm, 1981). In other words, individuals are not passive receives and responders. Instead, they actively strive to make sense of their environment and reduce uncertainty. The interpretation to this theory is that while management may have all sorts of wonderful ideas about ensuring the employees perform better through being disciplined and customer sensitive, these ideas may not work unless they make sense to the people concerned in terms of their own values and orientation. Therefore for any disciplinary procedures or systems and customer care initiatives to be effective the employees need to be involved or else they will resist it.

## **Goal setting Theory**

When employees know that their performance will be evaluated in terms of how well they attained their goals, the impact of goals increases. Salespeople, for example, have weekly and monthly sales goals they are expected to attain. CEOs of organizations are evaluated on meeting growth, profitability, and quality goals. For most employees, goals are more effective when they include a deadline for completion. The goal orientation is particularly relevant in today's work environment, which requires employees to be proactive, problem solve, be creative and open to new ideas, and adapt to new changing situations. (Luthans, 2011)

Today, many organizations work in teams. Having employees work as teams with specific team goal, rather than as individuals with only individual goals, increases productivity. The combination of compatible group and individual goals is more effective than either individual or group goals alone. A related combination is that when a team member perceives that other team members share his or her personal goals, the individual will be more satisfied and productive.

A person with a learning goal orientation wants to develop competence by mastering challenging situations. In contrast, the person with a performance goal orientation wants to demonstrate and validate competence by seeking favourable judgements. Considerable research has indicated that a learning goal orientation has a positive impact on work related behaviours and performance (Brown 2011)

## The Seven C's of Communication

In the description of their theory of the seven C's for an effective communication Cutlip and Center (1952) describe the basic recipe for putting together an effective message. In the following paragraph the seven ingredients are mentioned and briefly explained: First is completeness. It is crucial that the given information present all necessary data and answers possible questions from the message receiver. To support this part even more, additionally information could be given and presented in an extraordinary way. Secondly is conciseness which according to Cutlip and Center (1952) is based on the premise that for an effective message transfer, the wording (written or verbal) should be precise, without using ambiguous words and phrases. Repetitions should be avoided and only the most important information should be given to prevent misunderstandings and information overloads. Make it short and simple!

Thirdly effective communication within the rganisation is a product of consideration (Cutlip & Center, 1952). By using "you", the sender can show his/her interest and understanding in the receiver and his/her tasks. Senders should

emphasize a positive attitude and expression to foster an optimistic environment. Fourthly, communication should focus on clarity. The statement of the purpose of the message has to be clear, avoiding pretentious words. Use familiar words in not too extensive sentences. Structure the message by using paragraphs. The fifth aspect of effective communication as proposed by Cutlip and Center (1952) is correctness that focuses on the use of figures and facts for your arguments to prove the relevance of your words. Additionally you can stress content through your voice or wording and by giving examples or metaphors for people to remember.

Effective communication also calls for courtesy. All messages have to be developed in a respectful and non-discriminatory way so that nobody could feel offended by the content. It should be sincere, thoughtful and tactful in respect to the receivers' understandings and feelings. Lastly, effective communication calls for correctness. The right level of language should be used, according the concerned situation. Before sending the message the credibility of the content and all facts and figures have to be checked for their accuracy (Cutlip & Center, 1952). This study assesses the contribution of these aspects of effective communication on the performance of employees. This is based on the premise that when the seven aspects of effective communication mentioned above are either partially or fully met, employees are likely to perform better that when there is no effective communication. According to Cutlip and Center (1952), effective communication aspects ensure timely and efficient delivery of information that improves the performance of employees.

## **Conceptual Framework**

According to Smyth (2004) conceptual framework is structured from a set of broad ideas and theories that help the researcher to properly identify the problem they are looking at frame their questions and find suitable literature. The independent variables were disciplinary procedure, management styles, communication and customer care while the dependent variable





## **Disciplinary Procedure**

Discipline can be defined as action or behaviour on the part of the authority in an organization aimed at restraining all employees from behaviour that threatens to disrupt the functioning of the organization (Net *et al.,* 2007). The primarily objective of disciplinary action is to motivate an employee to comply with the company performance standards. The failure to perform as expected could be directly related to the tasks performed by the employee or the rules and regulations that define proper conduct at work. Another objective of discipline is to create or maintain mutual trust and respect between the subordinate. supervisor and Improperly administered discipline can create such problems morale and resentment between as low supervisor and the subordinate. The proper administration of disciplinary problems through a positive supervisor-subordinate relationship (Glober et al. 2006)

Disciplinary action is usually initiated bv management in response to unsatisfactory work performance or unacceptable behaviour on the part of the workers. However, a proper procedure must be followed when exercising discipline. The employment Act 2007 codification of unfair dismissal and code of good practice relating to dismissal is regarded as the basis for policy statements on disciplinary procedure. It is evident in the context of current employment law that discipline is regarded as a corrective or progressive discipline, which regards the purpose of discipline as a means for employees to know and understand what standards are required of them. A disciplinary code endorses the concept of corrective or progressive discipline, which regards the purpose of discipline as a means for employers' to seek to correct employee's behaviour by a system of graduate disciplinary measures such as counselling and warnings (Nel et al., 2007).

The reinforcement theories of Skinner (Werner, technical 2007) provide description and application of discipline. According to these theories, learning needs to take place before desired behaviour can occur. The terminology of instrumental learning refers to this type of learning. Instrumental learning can be described as a situation where behaviour is affected by consequences thereof. Positive reinforcement, negative reinforcement and punishment are examples of this learning process (Werner, 2007). According to Kreitner and kinicki (2007), positive

reinforcement would constitute the consistent presentation of something desirable like recognition.

Negative reinforcement can be described as the reinforcement of behaviour that reduces negative situations like shouting at someone where shouting only stops after compliance. Punishment involves an undesirable action towards a person, for example stopping the salary of an absent employee. Grossett (1999) advises South African managers to make use of different forms of discipline. Warnings like verbal, written and final written, suspension, transfers, demotion and dismissal are some of the options mentioned. The principle of progressive discipline is applied when these options are chosen according to the seriousness of offence. Gomez-Mejia, Balkin and Cardy (1995) describe positive discipline, where counselling sessions between the employee and supervisor replace punishment actions. Counselling skills would however be required for successful implementation of this option.

Henderson (2008) also argued that management that does not give employees the deserved support experiences a high level of employee grievances that affects execution of disciplinary administration functions in the organization. More and Miller (2007) affirmed that employees who are normally involved in raisings of various work related grievances are mostly discriminated by the management from promotion, rewards and various employees' benefits that lead to increased employee motivation and minimize frequent cases of indiscipline in the organization. Pickett (2000), argued that management that does not apply integrity in administration of disciplinary procedures contributes towards increased rate of employee grievances and influence staff to undermine organization disciplinary practices.

## **Management Styles**

Management style is a managerial parlance often used to describe the how of management. It is a function of behaviour associated with personality (McGuire, 2005). Management style can be understood as a way to manage an organization. According to Schleh (1977), management style is "the adhesive that binds diverse operations and functions together". It is the philosophy or set of principles by which manager capitalizes on the abilities of the workforce. Management style is not a procedure on how to do but is the management framework for doing.

The management of any organization is always in the lime light, at least as far as employees are concerned. Employees watch management, not only to gain direction of the organization, but also to see that their interests are being taken care of. Unfortunately, managers being human, sometimes do certain things that are interpreted as "Unfair" by employees. This unfairness, whether real or imagined, invariably attracts a response from the employees.

Past research has established that some forms of indiscipline are strongly linked to unfair practices on the part of management (Edwards, 1995). According to Kirk (2003), the expectations for everyone should be very specific relative to how they are expected to act in the workplace. Managers and supervisors are responsible as both observers and contacts to keep the workplace free of these inappropriate behaviours; they often serve as the primary contact for employees to report concerns. Those who are acting as contacts need to have their roles to be well defined. HR staff can act as valuable advisers to managers, particularly in the dismissal process, by helping them avoid mistakes that can lead to claims of wrongful discharge. They can also help protect an employee whose rights may be violated by managers. Consequently, when cooperation and teamwork characterizes the relationship between managers and the employee in day to day activities, high levels of discipline will prevail (Brown, 2003).

Effective management style is the extent to which a leader continually and progressively leads and directs followers to a predetermined destination agreed upon by the whole group. It is the manner of approach to issues of the managers towards achieving the goals of their organization by transforming various resources available to any organization into output through the functions of goal setting, formulation, implementation of strategy, corporate image building, dealing with key stake holders and other basic management activities.

## Communication

Communication is very important in whatever aspect of life. Like in an organization, communication is considered to be a key element to manage performance of employee. It is important for employees to have regular and frequent communication to deal with different problems in the organization. It's good to note that, the absence of it is tantamount to detaching employee from organization, or the organization to the employee.

Communication is the ability to provide timely and trustworthy information. It is the communicator's task to build awareness, build customer preference by promoting quality, value, and performance and to encourage interested buyers to make the purchase decision. Communication also tells the unhappy customers what the company is doing to rectify the situation (Ndubisi & Wah, 2005). An organization would not be able to function without two-way communication, as its management would be able to convey important information to employees, downward communication, and vice versa, upward communication, or to customers (Rootman, 2006).

There is need to always communicate the goals and job expectations. Traditionally, goal-setting was a management function but it is good that communication to be a two-way communication of goals between the organization and the individual. (Thomas, 2007) simply put the

participation of the employee in goal -setting must be encouraged rather than to follow the top-down approach. It is important that the organizational vision and goals crafted with the employees for them to clearly understand how their works fits into the organization, and how they could contribute to the achievement of such organizational goal. Likewise, it will strengthen the commitment in the achievement of goal is higher (Peter, 2009) Manager's encourages performers to write to their boss to facilitate communication. This concept does stimulate goal and communication. sharing-sharing The supervisor and employees understanding of the job duties will eliminate ambiguities regarding functions of the organizations.

Feedback need to be communicated regularly and frequently on performance process that will facilitate dialogue between the manager, supervisor and the employee. Consequently, it better will foster communication in an organization. An effective performance system promotes regular checking of the strengths and weaknesses and allows the performer to participate in the exchange of views. By doing so, it will build performers confidence and help them improve performance further. Lastly, communicating feedback must not be done once or twice a year. It must be a continuous process of unlike the prevailing performance review organizational norm of doing at the beginning and end of the rating cycle. It must be frequent and regular, which must be determined at the expense of the manager or the supervisor.

#### **Customer Care**

Parasuraman *et al* (1985) argued that evaluation of service quality is difficult as compared to physical goods. Physical existence of goods facilitates the customer to buy them due to its aesthetic characteristics Services are considered as intangible because we are unable to see, touch or feel them (Hoffiman & Bateson, 2002). Hanson (2000) suggested that services quality shows the organization's ability to meet customers' desires and needs. So organization must improve their services to meet the customers' wants and requirements. It is found that customers' perception of service quality is very important for managers to compete in the market (Hoffiman & Bateson 2002). More *et al.* (2007) identified that concentration on services quality leads to differentiation that enhance the competitive position of the organization for long term benefits.

Service quality and customer satisfaction became core issues for the successful survival of any services organization. Service quality is considered very important indicator towards customer satisfaction (Spreng and Machoy, 1996). Service quality got popularity among professionals and academia due to increased competition. It contributes a lot to gain competitive advantage to maintain long-term relationship with customers (Zeithmal et al. 2000). Customer satisfaction has become important due to increased competition as it is considered very important factor in the determination of competition in Courier industry (Bartell 1993; Harron et al. 1994). Satisfaction is a post purchase evaluative judgment associated with a specific purchase decision (Chuechil and Suprenant, 1992). The customer satisfaction is indispensable for the successful survival of any organization. Continuous, measurement of satisfaction level is necessary in a systematic manner (Chakravarty et al. 1996; Chitwood, Romano and Sanfillipo, 1996).

Satisfied customer is the real asset for any organization that ensures long-term profitability even in the era of great competition. It is found that satisfied customer repeat his/her experience to buy the products and also creates new customers by communication of positive message about it to others (Dispensa, 1997). On the other hand, dissatisfied customer may switch to alterative product/services and communicate negative message top others. So organizations must ensure the customer satisfaction regarding their goods/services (Gulledge, 1996).

Customer satisfaction is an important driver for better organizational performance especially in the Courier industry where they are facing steep competition from the Matatu industry who have now been offering the same services at even cheaper prices. Several studies measured the relationship between customer satisfaction and performance of the firm (Anderson et al., 1994; Wiele *et al.*, 2002; Yeung *et al.*, 2002; Al-Hawari and Warid, 2006) However, there is severe shortage of literature that specifically measured the performance of Courier industry with reference to service quality and customer satisfaction.

Providing services those customers prefer is a starting point for providing customer satisfaction – A relatively easy way to determine what services customer prefer is simply to ask them.

## **Empirical Review**

A study by Davenport, (2003) found out that behavioural issues generally result in disruption to the work environment, for example, workplace misconduct and/or rules violations; performance issues result in a failure to meet goals and/or properly perform tasks, such as when an individual lacks the knowledge, skills or ability to perform the job, or where the work is consistently unacceptable in terms of quality or productivity.

## Concept of performance

Performance management is a continuous process of identifying, measuring and developing the performance of individuals and aligning performance with the strategic goals of the organization" (Aguins, 2009). In general, the concept of organizational performance is based upon the idea that an organization is the voluntary association of productive assets, including human, physical, and capital resources, for the purpose of achieving a shared purpose (Alchian & Demsetz, 1972; Barney, 2001; Jensen & Meckluling, 1976; Simon, 1976) Those seeking for services will only commit themselves to the organization so long as they are satisfied with the value they receive in exchange. As a consequence, the essence of performance is the creation of value.

Murunga (2007) in his study on the impact of capita budgeting techniques on the financial performance of Courier companies in Kenya aimed at establishing the capital budgeting techniques and how those techniques impact to the financial performance of courier companies in Kenya . The questionnaires in the study were distribute in 30different courier companies in Kenya whereby only one was a state owned company that is Postal Corporation of Kenya while the others were privately owned by locals and foreign investors. The profitability index was highly related to the measure compared to other techniques.

Wafula (2010) carried out a study in DHL limited to investigate whether momentum trading strategies are profitable as determinants of financial performance relative to the Kenyan market and examines the source of such profitability. Momentum trading is significantly profitable in the intermediate term in Kenya, but profit become insignificant after risk adjustment by the Chordial and Shivakumar (2001) model. The performance specific return strategy and factor-related return strategy are analyzed to examine which portion of the total return causes profits to enter extreme levels. The Chordia and Shivakumar factor – related return strategy obtains profits with magnitude that is close to that which is attained by the total momentum strategy. Additional evidence further supports the view that Chordia and Shivakumar model captures momentum profits. This study is related to the current study as financial performance is the end product of a good performing organization. In the '50s organizational performance was defined as the extent to which organizations, viewed as a

social fulfilled their objectives system & 1957). (Georgopoulos Tannenbaum, Performance evaluation during this time was focused on work, people and organizational structure. Later in the 60's and 70's, organizations have begun to explore new ways to evaluate their performance so performance was defined as an organization's ability to exploit its environment for accessing and using the limited resources (Yuchtman & Seashore, 1967).

The years 80s and 90s were marked by the realization that the identification of organizational objectives is more complex than initially considered. Managers began to understand that an organization is successful if it accomplishes its goals (effectiveness) using a minimum of resources (efficiency). Thus organizational, theories that followed supported the idea of an organization that achieves its performance objectives based on constraints imposed by the limited resources (Lusthaus & Adrien, 1998 after Campbell, 1970).

# Disciplinary Procedure and employee performance

Rothwell (2004) in his study identified that discipline should not generally come as a surprise to the employee. Occasionally employees are unaware of their supervisors' dissatisfaction until they suddenly receive a formal written reprimand or a letter of termination. This should be avoided if possible and attempts made to regularly communicate issues to employees rather than wait until the performance problems can no longer be tolerated or until annual performance reviews are conducted. When it becomes necessary to discipline an employee, two principles apply: first, the employee must be clearly informed by the supervisor as to the source of dissatisfaction; second, except in limited circumstances, the employee should be given the opportunity to correct the problem. Ezigbo (2003) in his study found out that in most cases, the purpose of discipline is to instruct and correct rather than to punish. It is the responsibility of the supervisor to explain to the employees those areas in which they are expected to improve, to make suggestions about how to improve, and to allow time for the employees to make improvements.

It is usually only in instances such as theft, physical violence or other serious misconduct that immediate termination may be the proper way. More et al. (2007) in his study contended that delay in solving personnel problems develops frustration among individual workers. The management should be proactive so that there is no discontent among the workers. It should adopt a parental attitude towards its employees; hold decent regard for the rights and feelings of others is essential to leadership. Are the people housed adequately; are they well fed; are they paid promptly and whether there are personal problems with which they need help. When people are worried about these conditions, they cannot focus their full attention on their job, and the mission will suffer. If people believe they are cared for as well as circumstances will permit, the leader is in a position to earn their confidence, respect, and loyalty. Fairness, honesty, and candor with employees are the keys to defending against or successfully avoiding employmentrelated lawsuits (Horton, 2000).

## Management style and employee performance

Management style has been one of the most important issues among professional managers and any change in management style can significantly influence the success of business. Cummings *et al.* (2010) in his study performed a systematic review on leadership styles and outcome patterns for nursing workforce and work environment. They performed a comprehensive study on 34,664 titles nursing workforce and work environment. They grouped 54 outcomes into five categories including staff satisfaction with work, role and pay, staff relationships with work, staff health and wellbeing, work environment factors, productivity and effectiveness. Some of their results indicated that management style focused on people and relationships were associated with higher nurse job satisfaction, whereas 10 studies were reported that management styles focused on tasks were associated with lower nurse job satisfaction. Ayoko and Callan (2010) in his study examined the influence of different leadership behaviours on outcomes in 97 teams. More specifically, they implemented the frameworks applied from investigations of transformational leadership and emotional leadership to study the influence of specific features of team leader style in assessing team performance, as well as impacting social outcomes for team members.

According to their study, leader behaviours involved higher levels of emotional management were associated with improved levels of task performance. They reported that higher levels of inspiration and communication of vision by leaders were directly influenced with lower levels of bullying by team members. Generally speaking the relationship among task/relational conflict, transformational leadership, market orientation, and performance tends to be complicated. Menguc and Auh (2008) explained the relevance of nonlinear impacts in the context of how business units might improve their market orientation and performance.

Makilouko (2004) in his study explained how to cope with multicultural proposals in a case study of the leadership styles of Finnish proposals management. Their study included various team members from Finnish Chinese, Finnish-European, and Finnish-American cultural combination. The Chinese team members were from Hong Kong with one team from Beljing, while three multicultural proposal leadership styles were detected where 40 out of 47 proposal leaders specified a solely task oriented management style. The same leaders also specified cultural blindness, parochialism, ethnocentrism, or in-group favouritism. The seven leaders who specified solely relationships orientation or both task and relationships orientation also specified cultural sympathy and three leadership strategies to maintain team cohesion and to prevent crosscultural issues. It is more likely that they understood foreign cultures as a social phenomenon and could use the knowledge in management.

Nauman et al. (2010) in his study investigated the relationship of empowerment. Management style and customer service as a measure of efficient proposal management in proposals. Their study investigated empowerment climate in less and more virtual proposals. Moreover, the study examined moderating impacts of degree of vitality on the relationship between empowerment and management style. They used Data collected from proposal management professionals working in five countries using linear regression and moderated regression analysis to analyze the proposed hypotheses. The results explained that empowerment climate had substantial impacts on concern for task, concern for people and customer services and was higher in more virtual than less virtual proposals.

Likert in his study on which management style leaders preferred using (Likert, 1932), he used questionnaire to perform his survey. Where he used a sample of 43 managers who work in different industries from various sectors. From the study it was observed that most managers preferred using task oriented leadership style followed by relationship leadership style. Culpan and Kucukemirogula (1993) in their study developed a model to study how managers practice the different management styles in work places. The model of these scholars consisted of managerial dimensions for comparing six management practices which include leadership /supervisory style, decision-making, communication patterns, control mechanism, interdepartmental relations and paternalistic orientation.

They further attempted to establish a link between management style and organizational effectiveness by comparing United States and Japanese management Systems. The study found that the America managers underscored supervisory style, decision making and control mechanism while Japanese were concerned more with communication process, interdepartmental relationship, and a paternalistic approach. According to a study carried out in 1981 by Weiner and Mahoney (1981) who studied the leadership in 193 manufacturing companies. According to this study, Managerial practices have significant impact on two organizational performance components: profitability and share price. In addition to the above-mentioned study there others who have suggested that the leadership is a key element that ensures the connection between the success factors of an organization (Nohria et al., 2003)

## Communication and employee performance

Argenti (1998) in his study found out that change in organizations that affected the work place and, in turn, employees. He wrote, "The overall environment is more competitive than ever before, more global than in the past, and more independent on other organizations. These changes out pressure on today's employees and clear the need for a more coordinated approach to employee's communications". To deal with these kinds of changes, a study conducted by the Conference Board, a business membership and research organization, asked managers from over 200 companies what they considered effective employee communication. The board believed that effective communication should improve morale, create a positive relationship between employees and management, inform employees about internal changes, explain employee benefits increase understanding about and the organization's goal and culture (Troy, 1988). These goals demonstrated the beginning of a shift from simple one way-way communication toward the development of strategic communication plans. Argenti identified issues in employees' communication, the function of key players, and two-way communication, but research on the

relationship between employees and internal communication had yet not been explored. This study is related to the study as G4S Courier Kenya should value the importance of employee's communication as the same would be important to inform the employees of any internal changes as well as organizations expectation.

According to the study at the University of Texas Dallas, effective performance management is first and foremost about communication. Supervisors cannot manage or direct employee performance if they fail to practice good communication skills. Likewise, employees who do not practice good communication skills toward their supervisor place themselves in a situation ripe for misunderstanding. Effective communication is critical to the success of the University, to every department and to every employee. Solid performance communication benefits everyone. One study which investigated the relationship between communication and commitment include Postmes, Tanis and Wit's research (2001) based on sample of 105 office employees working in large education institute in Netherlands. It applied the statistical method and collected data using questionnaire. In statistical analyses, the researcher found that vertical communication was more strongly related to the levels of effective commitment than horizontal communication. Additionally, horizontal communication emerged to be potential predictor of vertical communication in an organization. The current study is to some extent similar to the study, and some extent similar to the study, and some of the questionnaires used in the current study were adapted from the ones used in the study.

There was also a study carried out by several researchers (King Lahiff & Hatfield, 1998: Asif & Sergeant, 2000) hoping to prove that communication was a central to many positive variables, sought to study the relationship even further. Found that King *et al.* posited three hypotheses testing the relationship between

communication and the job satisfaction. The study administered questionnaires to 184 undergraduate students and each was asked to think of their current or previous job when answering. The results of King *et al.* (1988) study showed that, consistently strong and positive relationship exists between the communication employees report receiving from supervisors and their satisfaction with both supervision and the job in general.

## **Customer Care and employee performance**

Atkinson (1988) in his study found out that cleanliness, security, value for money and of determines courtesy staff customer satisfaction. This study is related to the study in that in Courier industry, security for customer's goods as well as cleanness as customers' needs to be served by clean staff as well as clean environment. Knutson in his study Knutson (1988) revealed that room cleanliness and comfort, convenience of location, prompt service, safety and security, and friendliness of employees are important.

A study conducted by Akan (1995) claimed that the vital factors are the behaviour of employees, cleanliness and timeliness. On the other hand the study by Choi and Chu (2001) concluded that staff quality, room qualities, and value are the top determine three factors that travellers' satisfaction. Parasuraman, Zeithamal and Berry (1988) built a 22-item instrument called SERVQUAL for measuring consumer perceptions of service quality. SERVQUAL addresses many elements of service quality divided into the dimensions of tangibles, reliability, responsiveness, assurance, and empathy.

Improved transparency - This is in terms of letting the customers be part of the delivery process by giving them updates on the progress made on their items during the delivery process. This will highly improve customer satisfaction. Couriers and other delivery companies should have in place systems that can send either email or text message notifications to clients informing them about the status of their deliveries. Such messages may be as simple as 'Expect your delivery in about an hour'. Real time tracking -The popularity of smart phones has made is easy for the gadgets to be used to provide real time location tracking. With appropriate applications, drivers, riders and all delivery people can join (Peter Kariuki, CCK speech, CTO Workshop on Telecommunications Competition and Privatisation, 5 March 2003). Gro"nroos' model of SERVQUAL (Gro"nroos, 2000) found out that it is comprehensive and its service quality dimensionality is justifiably suitable in the context of GII. 'Price' dimension was added through focus group discussion. Important SERVQUAL dimensions need to be explored trigger managerial action

## **RESEARCH METHODOLOGY**

## Introduction

This chapter presents and provides description the research methodology that was used was used to carry out the study.

## **Research Design**

A research design is the general plan of how one goes about answering the research question (Orodho, 2005). The study adopted descriptive research design.

## **Study Population and Target Population**

According to Baker (1999), a study population encompasses the entire groups of individuals, objects, items, cases, articles, or things with common characteristics existing in space at a particular point of time. Specifically the study targeted G4S Kenya courier services employees in management level such as the operation managers and supervisors. In addition the researcher targeted the staff that directly dealt with the customers who included the riders and courier clerks. At the time, there were 1100 employees in Nairobi County at G4S Kenya: 66 are in Operations management; 105 in supervisory level; 129 riders and 800 courier clerks.

## Sampling Frame

A sampling frame is a list, directory or index of cases from which a sample can be selected (Mugenda & Mugenda, 2003). The sampling frame of the study was drawn from the list of all the managers, supervisors, riders and couriers of G4S Courier Services Kenya obtained from Human Resource data.

## **Data Collection Instruments**

Data collection instruments involve methods which were used to collect data from the selected respondents. The research study used semistructured questionnaires to collect primary data from the respondents. Both open ended and closed ended questions were used so that each respondent was capable of receiving the same set of questions in exactly the same way.

## Data Collection Procedures

Questionnaires were developed with set of semistructured questions for pilot testing to check the reliability and validity of instruments of data collection.

## **Pilot Testing**

A pilot study is a preliminary test conducted before the final study to ensure that research instruments are working properly. Prior to the main study, the researcher carried out a pilot study among 10 respondents.

## Data Analysis and presentation

Data was analysed using both descriptive and inferential statistics.

## Data analysis

Data analysis is the practice in which raw data is ordered and organized so that useful information can be extracted from it (Gall and Borg, 2007). Qualitative data obtained from open-ended questions in the questionnaires was edited and classified into groups with common themes. The content within the themes was then analysed guided by the research objectives. The data analysis tools of Statistical Package for Social Scientists (SPSS, V.20) was used to analyze quantitative data, to give a deeper insight into the responses from the respondents into the subject of the research. Multiple regression analysis was used as well as correlation to establish the relationship between independent variables and dependent variable.

The regression equation used was:

## $\textbf{Y=} \ \boldsymbol{\beta_0}\textbf{+} \ \boldsymbol{\beta_1}\textbf{X_1}\textbf{+}\boldsymbol{\beta_2}\textbf{X_2}\textbf{+} \ \boldsymbol{\beta_3}\textbf{X_3}\textbf{+} \ \boldsymbol{\beta_4}\textbf{X_4}\textbf{+} \in$

Where **Y** is the dependent variable (Employee performance in Courier industry),

 $\beta_0$  is the regression coefficient,

 $\beta_1$ ,  $\beta_2$ ,  $\beta_3$ ,  $\beta_4$  and  $\beta_5$  are the slopes of the regression equation,

 $X_1$  is the disciplinary procedure independent variable,

X<sub>2</sub> is the management style independent variable,

X<sub>3</sub> is communication independent variable,

 $\boldsymbol{X}_4$  is the customer care independent variable, while

 $\in$  is an error term normally distributed about a mean of 0 and for purposes of computation, the  $\alpha$  is assumed to be 0. Kothari, (2004) explains that Error term is the part of the statistical equation that indicates what remains unexplained by the independent variables

## **Data Presentation**

Descriptive statistics was used to describe data collected from a sample. The mean, median, percentages and standard deviation were the most commonly used descriptive statistics.

## **RESULTS AND INTERPRETATIONS**

This chapter covers data analysis presentation and interpretation of the findings.

## **Reliability test results**

The researcher conducted a pilot study to pretest the validity and reliability of data collected using the questionnaire before the main study. Results of the study showed Cronbach's Alpha of over .7 for all the studied parameters hence the study instrument was reliable

#### **Response rate**

A total of 198 respondents completely filled the questionnaires making a response rate of 90%. However, 10% of the respondents were either reluctant to participate or misplaced questionnaires.

## Distribution by Gender of the respondent

Majority of the respondent 56.6% were males whereas 43.4% of the respondent were females. This shows that most of the respondents of this study were males although the difference was small.

## Age of Respondents

Majority of the respondents 44.4% were aged 21 to 29 years while the minority 3.5% were above 50 years of age. Data implies that a majority of the respondents were young thus indicating that the office employs more young people than the old who are more energetic and can perform more than the old counterparts (Aguins, 2009). This is indicative the age of respondents could have a significant effect on choices and decisions they make as they excecute their duties at the work place.

## **Professional Qualifications**

According to the finding, most of the respondents (59.1%) were certificate/diploma holders while a few (3.5%) had post graduate education. These results show that most of the study participants were well educated and could thus understand the subject matter of the study thus giving reliable information.

## Years of service

Majority of the study respondents 48.5% had above 4 years of experience in their current job while the minority 3.0% had below 1 year of experience. The results show that the office had majority of staff with over four years of experience who could clearly understand the purpose of the study hence giving reliable information.

# Effects of disciplinary procedure on performance of G4S Courier services in Kenya

Respondents were asked to rate their agreement on acceptable behaviors and performance standards been clearly communicated in their organization where majority 40.9% partially agreed while another 38.9% strongly agreed whereas 13.1% disagreed strongly and 7.1% did not agree to that acceptable behaviors and performance standards are clearly communicated. This, therefore implied that disciplinary procedures were affected by how behaviors and performance standards are communicated.

## **Management style**

The study sought to establish the extent their management style is a challenge to employee performance where close to a half 42.9% reported great extent. However, 32.8% of the respondents reported moderate extent, 13.6% and 3.5% of the respondents reported little and very little extent. This indicated that management style was a challenge to employee performance at G4S.

## Communication

The study sought to establish the impact of the correct communication channels on employee performance. When asked to state the usual communication channels and means used in their organization, most of the respondents stated 76.2%, Verbal/oral/unwritten Meetings communication 72.7%, Notice board 69.8%, Emails 63.7% and Circulars/Memos 59.1%. Data indicates that respondents were aware of the common ways of verbal communication that were effectively utilized in the organization. This means communication channels in the organization were clearly understood, which was a good thing for smooth running of the day to day activities at G4S.

## Customer care

The study sought to establish if Courier industry had embraced customer care and its benefits. Respondents were asked to indicate the extent G4S Courier Kenya customer service exceed client's expectations where more than half 57.1% reported to a great extent. The findings showed that 80%, of the respondents agreed that the company provided customers with good services when they were needed. 81% of the respondents reported that addressing customer complaints was a top priority issue in G4S whereas 72% reported that G4S was sensitive to customers' desires and needs However, a significant part of the respondents disagreed that continuous surveys were done by G4S to assess their customer satisfaction levels 64%. Data indicated that as much as G4S was committed to good customer service, a lot needed to be done in the areas of survey to assess customer satisfaction levels.

## **Employee performance**

The study sought to establish the respondent's opinions on what determine the employee performance. According to the study, most of the respondents agreed that they were able to; produce quality work as specified by their customers 91%, produce quality work as specified in the organization goals 94%, produce accurate work as specified by their Supervisor 97% and produce accurate work that matched customer requests 97%. Additionally, most of the respondents agreed that; G4S employees were disciplined and therefore contribute effectively to the organization's work excellence 76%, their supervisor are satisfied with the level of discipline among the staff members 64%, G4S employees communicate effectively towards achieving the service delivery targets 59%, G4S customers were satisfied with this organization's service delivery targets that are met 66%, supervisor strives to improve my morale and commitment to work 52%, supervisor are supportive and recognizes

efforts which encourage them to perform better 62% and they had acquired efficient service delivery and quality of services in G4S. However, most of the respondents disagreed that G4S employees were satisfied with their work and working environment and therefore committed to service delivery 66%. Data implied that the organization needed to listen more to employees' grievances in order serve her customer well.

#### **Correlations Analysis**

The study used Pearson product-moment correlation analysis to establish linear relationship between the independent variables and the

#### Table 1: Correlations Matrix

dependent variable. The correlation coefficient ranges between -1 to +1. A coefficient of +1.0 means that there is perfect positive correlation between the variables indicating that increase in independent variable will result to an increase in dependent variable by the same measure. A coefficient of -1.0 means that there is perfect negative correlation between the variables indicating that increase in independent variable will result to decrease in dependent variable will result to decrease in dependent variable by the same measure. A coefficient of zero means there is no relationship between the two items and that a change in the independent item will have no effect in the dependent item.

|               |                 | Employee    | Disciplinary | Management | Communication | Customer |
|---------------|-----------------|-------------|--------------|------------|---------------|----------|
|               |                 | Performance | Procedure    | Style      |               | Care     |
|               | Pearson         | 1           | .524**       | .660**     | .660**        | .457**   |
| Employee      | Correlation     |             |              |            |               |          |
| Performance   | Sig. (2-tailed) |             | .000         | .000       | .000          | .000     |
|               | Ν               | 198         | 198          | 198        | 198           | 198      |
|               | Pearson         | .524**      | 1            | .488**     | .488**        | .395**   |
| Disciplinary  | Correlation     |             |              |            |               |          |
| Procedure     | Sig. (2-tailed) | .000        |              | .000       | .000          | .000     |
|               | Ν               | 198         | 198          | 198        | 198           | 198      |
|               | Pearson         | .454**      | .259**       | .456**     | .456**        | .524**   |
| Management    | Correlation     |             |              |            |               |          |
| Style         | Sig. (2-tailed) | .000        | .000         | .000       | .000          | .000     |
|               | Ν               | 198         | 198          | 198        | 198           | 198      |
| Communication | Pearson         | .660**      | .488**       | .456**     | 1**           | .489**   |
|               | Correlation     |             |              |            |               |          |
|               | Sig. (2-tailed) | .000        | .000         | .000       |               | .000     |
|               | Ν               | 198         | 198          | 198        | 198           | 198      |
|               | Pearson         | .457**      | .395**       | .489**     | .489**        | 1**      |
| Customer Cone | Correlation     |             |              |            |               |          |
| Customer Care | Sig. (2-tailed) | .000        | .000         | .000       | .000          |          |
|               | Ν               | 198         | 198          | 198        | 198           | 198      |

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

Result of Table 1 above showed that there was a significant positive association between Employee Performance and all the independent variables (Disciplinary Procedure, Management Style, Communication and Customer Care). A strong

positive correlation between Employee Performance and Management Style and Communication was observed with r=.660 for both and p<.05.

## **Regression Analysis**

The researcher conducted multiple linear regression analysis to predict Employee Performance. The independent variables for this study included; Disciplinary Procedure, Management Style, Communication and Customer Care. The regression model was:

## $\mathsf{Y} = \boldsymbol{\beta}_0 + \boldsymbol{\beta}_1 \mathsf{X}_1 + \boldsymbol{\beta}_2 \mathsf{X}_2 + \boldsymbol{\beta}_3 \mathsf{X}_3 + \boldsymbol{\beta}_4 \mathsf{X}_4 + \in$

Where **Y** is the dependent variable (Employee performance in Courier industry),

 $\beta_0$  is the regression coefficient,

## Table 2: Model Summary

 $\beta_1,\ \beta_2,\ \beta_3,\ \beta_4 \ and \ \beta_5 \ are the slopes of the regression equation,$ 

 $X_1$  is the disciplinary procedure independent variable,

X<sub>2</sub> is the management style independent variable,X<sub>3</sub> is communication independent variable,

**X**<sub>4</sub> is the customer care independent variable,

| Model | Nodel R |      | Adjusted R Square | Std. Error of the Estimate |  |
|-------|---------|------|-------------------|----------------------------|--|
| 1     | .719ª   | .518 | .508              | .35171                     |  |

a. Predictors: (Constant), Customer Care , Disciplinary Procedure , Management Style , Communication

The R-squared is the proportion of variance in the independent variable which can be explained by the independent variables. An R<sup>2</sup> value of .518 indicates that the model can explain 51.8% of the variation in Employee Performance. Hence Disciplinary Procedure, Management Style, **Table 3** displays ANOVA results that test the **Table 3: ANOVAa** 

Communication and Customer Care can explain 51.8% of the variation in Employee Performance while other factors not in the study contribute to the remaining 48.2% of the dependent variable (Employee performance in Courier industry).

## **ANOVA – Analysis of Variance**

significance of the R<sup>2</sup> for the model.

| Model |            | Sum of Squares | df  | Mean Square | F      | Sig.              |  |
|-------|------------|----------------|-----|-------------|--------|-------------------|--|
|       | Regression | 25.618         | 4   | 6.405       | 51.775 | .000 <sup>b</sup> |  |
| 1     | Residual   | 23.874         | 193 | .124        |        |                   |  |
|       | Total      | 49.492         | 197 |             |        |                   |  |

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Customer Care , Disciplinary Procedure , Management Style , Communication

The analysis of variance in this study was used to determine whether the model was good fit for the data. An F statistics of 51.775 with a p-value less than the conventional 5% indicates that the

overall model was significant at 95% confidence level.

## **Regression Coefficient**

#### **Table 4: Coefficients**

| Model                  | Unstandardized | l Coefficients | Standardized<br>Coefficients | t      | Sig. |
|------------------------|----------------|----------------|------------------------------|--------|------|
|                        | В              | Std. Error     | Beta                         |        |      |
| (Constant)             | 1.719          | .166           |                              | 10.326 | .000 |
| Disciplinary Procedure | .145           | .035           | .244                         | 4.168  | .000 |
| Management Style       | .141           | .055           | .157                         | 2.572  | .011 |
| Communication          | .265           | .039           | .438                         | 6.858  | .000 |
| Customer Care          | .039           | .039           | .064                         | 1.010  | .314 |

Tabledisplays the coefficient of the regressionmodel of Employee Performance on DisciplinaryProcedure, Management Style, Communicationand Customer Care. From the results of theregression model the coefficients for DisciplinaryProcedure,ManagementStyleandCommunicationwere significant at 5% level ofsignificance. Therefore, Employee Performancecan be predicted using Disciplinary Procedure,ManagementManagementStyleandCommunication in thefollowing equation:

Y=1.719+0.145X1+0.141X2+0.265X3 Where; Y is Employee Performance X1 is the Disciplinary Procedure X2 is the Management Style X3 is the Communication

According to the intercept ( $\beta_0$ ) when the four independent variables are held constant, the value of employee performance in the Courier industry will be 1.719. The above regression equation revealed that holding management style, communication and customer care to a constant zero, a unit increase in disciplinary procedure would lead to .145 increase in employee performance. On the other hand, holding disciplinary procedure, communication and customer care to a constant zero, a unit increase in management style would lead to .141 increase in employee performance, again holding disciplinary procedure, management style and customer care to a constant zero, a unit increase in communication would lead to .265 in employee performance. Additionally, holding disciplinary procedure, management style and communication to a constant zero, a unit increase in customer care would lead to .039 in employee performance.

Ranking the predictors variables in terms of their individual influence on employee performance, the table shows the relative importance of each predictions i.e. Communication had the highest effect (.265), followed by disciplinary procedure (.145), and then Management style (.141) and Customer care (.039) respectively. All the variables were statistically significant (p<0.05).

# SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents a summary of the major findings, conclusions and recommendations for practice and further research on the problem. The main objective of this study was to determine the determinants of employee performance in courier industry in Kenya.

#### Summary of major findings

This section summarizes the research findings per each objective.

# Influence of disciplinary procedure on the performance of employees

Majority of the respondents agreed that processes and procedures are followed strictly in G4S, perpetrators of rules face the consequences, there is mutual trust and respect in the place of work, counseling sessions are administered to the staff and warnings are issued to the perennial law breakers. Additionally, most of the respondents agreed that employees comply with performance standards, there are rules and regulations within G4S that define proper conduct at work and employees in G4S are counselled and warned in case of indiscipline behavior. However, most of the respondents disagreed with there been mutual trust and respect between supervisors and subordinates in G4S. Results of correlation analysis showed that there was positive linear correlation between disciplinary procedure and performance of employees. The results of regression analysis showed that disciplinary procedure coefficient was significant in the model disciplinary procedure and thus affects performance of employees.

# Effect of management style on the performance of employees

Most of the respondents agreed that the management provide support to the employees to ensure they meet the company objectives, the management participates in ensuring discipline with G4S courier services and there is cooperation and teamwork between the management and the employees. However, most of the respondents disagreed with the statement that the management of the company engage in unfair practices that derail the performance of the employees and employee rights are violated by the management of the company. Results of correlation analysis showed that there was positive linear correlation between management style and performance of employees. The results of regression analysis showed that management style coefficient was significant in the model and

thus management style affects performance of employees.

# Influence of communication on the performance of employees

Most of the respondents agreed that; there is regular and frequent feedback within the communication channels in the company, right channels of communication have been put in place for employees to enable efficient communication and improved performance, the company clearly communicates its goals and job expectations to the employees and the information necessary for service delivery is communicated in a trustworthy and timely manner. Results of correlation analysis showed that there was positive linear correlation between communication and performance of employees. The results of regression analysis showed that communication coefficient was significant in the model and thus communication affects performance of employees.

# Effect of customer care on performance of employees

Most of the respondents agreed that the company provides customers with good services when they are needed, addressing customer complaints is a top priority issue in G4S and that G4S is sensitive to customers' desires and needs. However, most of the respondents disagreed that continuous surveys are done by G4S to assess their customer satisfaction levels. Results of correlation analysis showed that there was positive linear correlation between customer care and performance of employees. The results of regression analysis showed that customer care coefficient was insignificant in the model and thus customer care does not affect performance of employees significantly.

## Conclusion

The study was aimed at assessing determinants of employee performance in courier industry in Kenya, with specific focus on G4S courier services Kenya. It was guided by four specific objectives including; to determine the influence of disciplinary procedure on the performance of employees in G4S Courier Services Kenya; to assess the effect of management style on the performance of employees in G4S Courier Services Kenya; to establish the influence of communication on the performance of employees in G4S Courier Services Kenya; and to find out the effect of customer care on performance of employees in G4S Courier Services in G4S Courier Services Kenya; and to find out the effect of customer care on performance of employees in G4S Courier Services Kenya.

# Influence of disciplinary procedure on the performance of employees

Results of correlation analysis showed that there was positive linear correlation between disciplinary procedure and performance of employees. The results of regression analysis showed that disciplinary procedure coefficient was significant in the model and thus disciplinary procedure affects performance of employees.

# Effect of management style on the performance of employees

Results of correlation analysis showed that there was positive linear correlation between management style and performance of employees. The results of regression analysis showed that management style coefficient was significant in the model and thus management style affects performance of employees.

# Influence of communication on the performance of employees

Results of correlation analysis showed that there was positive linear correlation between communication and performance of employees. The results of regression analysis showed that communication coefficient was significant in the model and thus communication affects performance of employees.

Effect of customer care on performance of employees

Results of correlation analysis showed that there was positive linear correlation between customer care and performance of employees. The results of regression analysis showed that customer care coefficient was insignificant in the model and thus customer care does not affect performance of employees significantly.

#### Recommendations

The following recommendations were drawn from the findings of the study:

The management should increase the level of commitment in the organization by increasing satisfaction with compensation, policies, and work conditions. One way of addressing this could be by increasing the interactions with employees in staff meetings and increasing guided discussions of topics related to these issues. Employees could be interviewed to determine their perceptions of management's ability to address these issues. Changes in organizational variables, such as pay scales, employee input in policy development, and work environment could then be made in an effort to increase organizational commitment.

Keeping people and problems separate will enable real issues be debated without damaging working relationships. Pay attention to the interests presented by employees by listening carefully, management will most likely understand them

Management and employees should explore options together; be open to the ideas that a third position exists.

#### Areas of further study

Future research should examine the determinants of employee performance in courier industry with a larger sample incorporating most courier organisations since this study confined its focus to one organization, G4S.

A longitudinal study over a relatively longer period of time could also be considered to investigate those variables and their impact on the employee performance.

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