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Abstract
The purpose of this paper was to assess the role of employee involvement practice in selected steel manufacturing firms in Kenya and its effect on financial performance of the organizations. The study adopted a descriptive survey research design that collected both qualitative and quantitative data through structured questionnaires. The target population was the 46 listed Kenyan Steel Manufacturing Companies. Sample size was determined by the use of Krejcie and Morgan’s Sample Size Table. The sample size of the targeted population was 42. Data was collected from Management Representatives or Quality Assurance Managers or their equivalents and had a response rate of 100%. Descriptive statistics was used to analyze quantitative data while qualitative data was used to supplement interpretation of quantitative data. Testing of hypotheses was done using Analysis of Variance. Variance Inflation Factor was used to illustrate the significance of the association between financial performance and employee involvement practice. The study concludes that employee involvement practice contributes significantly to the performance of Steel Manufacturing companies in Kenya. Using regression analysis, the study revealed that employee involvement practice statistically significantly predicted the performance of Steel Manufacturing Companies in Kenya, with F statistic of 74.809 (p = 0.000 < 0.05). The analysis further revealed that there is a strong positive correlation between employee involvement practice and performance of Steel Manufacturing companies in Kenya (R = 0.718, p < 0.05). The study recommends that steel manufacturing companies in Kenya need to continuously put emphasis on collective actions through commitment of funds and time to leap the benefit of quality teams. The study further recommends that senior management should be more committed in involving and training employees.

Key words: Quality Management Systems, Organizational Performance, Kenyan Steel Manufacturing Sector, Employee Involvement.
INTRODUCTION
In such a competitive environment resulted from world globalization and liberalization, firms survive with much difficulty unless they create the competitive advantage over their competitors (Agus, 2004). Customers’ needs become increasingly difficult to meet. They demand for faster response, better value for money, products or services, more product varieties, expect lower prices, reliable delivery, and product integrity. Many manufacturing industries have awakened due to this phenomenon to become aware of the need to prioritize quality as the competitive marketing strategy in the global market. The principles of Quality Management Systems (QMS) have been successfully adopted and applied in the manufacturing sector by most of the developed countries. Over the past periods of International Organization for Standardization (ISO) certification as a quality management system in the manufacturing sector, customers and major stakeholders of these organizations have raised dissatisfaction on the results as they sometimes do not relate to quality service delivery on the ground which is expected to improve on organizational performance as perceived and received by the public. Quality management system (QMS) is a systematic approach to proactively managing quality based on documented standards and operating procedures. The best known QMSs are those based on the ISO 9000 series of quality standards. A quality management system can be expressed as the organizational structure, procedures, processes and resources needed to implement quality management.

Kenya’s Steel Manufacturing Sector
Industry comprises of manufacturing, construction and mining activities. Manufacturing is the art of transformation of raw materials into either intermediate goods or final products through mechanized process. Kenya’s steel manufacturing sector is among the key productive sectors identified for economic growth and development because of its immense potential for wealth, employment creation and poverty alleviation. In addition, the sector will continue to provide impetus towards achievement of Millennium Development Goals (MDGs) both in the medium and long term particularly goal one on Eradication of extreme Poverty and hunger and goal eight on Global Partnerships for Development (Government of Kenya, 2002). According to the Manufacturing and Industry Sector Report (2011), the sector is expected to play a key role in the growth of the Kenyan economy. The overall goal of the sector is to increase its contribution to Gross Domestic Product (GDP) by at least 10 per cent per annum. In addition the sector is expected to register a growth of 10 per cent in the medium term period, (2008-2012) this is to be driven largely by local, regional and global markets. Industrial activity, concentrated around the two major urban centres, Nairobi and Mombasa, is dominated by food-processing industries such as grain milling, beer production, and sugarcane crushing, and the fabrication of consumer goods, e.g., vehicles from kits.

A study by Muturi and Ochieng (2015) on the impact of ISO 9001 implementation on Organizational Performance in Kenya found that ISO 9001 certification has had a positive influence on the organizations’ return on assets thus improving its performance. They however did not specifically deal with the manufacturing sector. Ruinge & Kimani, (2015) studied on the relationship between selected total quality management practices employed by public secondary schools principals and students’ performance in Kenya Certificate of Secondary Education in Kiambu County, Kenya (Ruinge & Kimani, 2015). The findings revealed that, school focus on meeting student’s needs, establishment of performance objectives (goal setting) on curricular activities and embracement of
high level of communication on curricular issues especially from the students, enhance students’ performance in national examinations.

Although a number of studies have been done on the effects of certified quality management systems on organizational performance, there is limited information within the context of steel manufacturing industry in Kenya. These studies, Muturi and Ochieng (2015), Ruinge and Kimani (2015), Matata and Wafula (2015) did not explore the effects of certified quality management systems on performance of steel manufacturing companies in Kenya. This study empirically examined the extent to which employee’s involvement influences the relationship between certified Quality Management System practices and organizational performance in Kenyan steel manufacturing sector.

**Employee Involvement**

Motivated, committed and involved employees are eager to participate in and contribute to continual improvement within the organization. In the drive towards a quality management, top management should adopt McGregor’s Theory Y that contributes to successful long-term relationship with employees (Prottas, 2016). Theory Y views employees as having creativity, ingenuity, and imagination and under proper conditions learns to accept and seek responsibility. The manager’s other assumption that should be of particular importance to total quality implementers is that in most organizations; the average employees’ intellectual potentialities are under-utilized.

In today’s increasingly competitive market, organizations are continuously searching for new approaches that can cause them to be more flexible, adaptive and competitive. More and more organizations are rediscovering or led to rediscover that their employees are their biggest asset. More and more organizations are moving towards greater employee involvement in their decision making process. They realize that attaining greater employee involvement requires loosening of and removing well-established structures of control within the organization. The success of implementing a particular initiative depends on a number of factors such as technology, environment, and culture (Hab, 2011).

One thing is clear from the above discussion, that the bottom-line requires a fundamental change in the way management views employees in today’s competitive environment. Results indicate that the greater the use of employee involvement, the greater is the company’s performance, profitability, and competitiveness (Chong Siong Choy & Suk, 2005). The existing conditions in some organizations that sometimes subscribe to Theory X, which are a negative set of values, beliefs and norms, are not employee-friendly and are not conducive to a total quality approach. Kraus, (2000) stressed that the workers on the shop floor know more about the problems on the floor than the supervisors and they have their ideas of dealing with workplace improvements. He added that it is up to management to solicit ideas from their workers and not to expect those volunteer opinions. No suggestion should be dismissed as being insignificant. It is to be expected that under the traditional bureaucratic structure, some employees may underestimate the value of their ideas or knowledge or may even believe that management may not be interested in whatever they think. According to Thursby, (2014) though one of the strongest ways in which the message that suggestions are valued is recognition and acknowledgement of employee suggestions conveyed through an achievement reward system, only 41 per cent of employees surveyed believed that they are listened to. It is expected that the suggestion system is successful in those organizations that are seen to be employee-friendly.

An essential element of effective employee involvement is teamwork. Organizations need to
install quality improvement teams. Small group improvement activities comprise the most fundamental layer of support and can greatly reduce waste-related costs (Oanda, 2014). Team members can come from a single section or department and may include representatives from the customers or suppliers. Members can come from a mixture of different levels in the organization. It is expected that teams must meet regularly and often to be effective. This is to facilitate exchange of ideas, provide a means of reporting of activities, identifying and evaluating problems and creates opportunity to build a trustworthy relationship between members. When employees are focused on performance improvement and business objectives, management must reinforce behaviours that lead to the achievement of these objectives to help accelerate the process of change. Quality circles are also recognized as one of the platforms where employees get involved in the continuous improvement in the organization (Asli Aksoy, 2011).

LITERATURE REVIEW

European Foundation for Quality Management (EFQM) Model
The European Foundation for Quality Management (EFQM) Model is based upon nine criteria for quality management. There are five enablers (criteria covering the basis of what a company does) and four results (criteria covering what a company achieves). The result is a model that refrains from prescribing any one methodology, but rather recognizes the diversity in quality management methodologies. The nine criteria as defined by the EFQM Model are: focus on results – pleasing company stakeholders with results achieved by stakeholders is a primary focus; focus on customers – it is vital that a company’s quality management leads to customer satisfaction; Management Focus – constancy of purpose and consistent, visionary leadership, process and facts, in which the management breaks down everything into systems, processes and facts for easy monitoring, training; and Involving Employees – Employees should receive professional development opportunities and be encouraged to remain involved in the company; Continuous Learning – everyone should be provided with opportunities for learning on the job, Developing Partnerships – It is important to encourage partnerships that add value to the company’s improvement process; Social Responsibility of the Corporation – The company should always act in a way where it is responsible towards the environment and society at large (James & William, 2008, Goetsch & Davis, 2013). This model was helpful in relating quality management to employee involvement and performance measurement.

Six Sigma Theory
Six Sigma is one of the most effective problem solving methodologies for improving business and organizational performance. Other persons described Six Sigma as a disciplined and statistically based approach for improving product and process quality. Also, Six Sigma refers to a business process that allows organizations to improve drastically their bottom line by designing and monitoring everyday business activities in ways that minimize waste and resources while increasing customer satisfaction (Harry & Schroeder, 2000). Three of the Six Sigma practices have been found to have a very strong relationship with the seven traditional Quality Management practices and their effects on performance. To better illustrate the complex relationships of these practices, the model adopted the classification of infrastructure and core practices proposed by where the infrastructure practices are to create an organizational environment supporting Quality Management implementation, and the core practices focus on applying tools and techniques in continuous
improvement (Flynn & Sakakibara, 1995, Sousa & Voss, 2002). The model starts with top management support on the left to highlight the ultimate importance of senior managers’ leadership and support for Quality Management implementation. The upper half consists of traditional Quality Management infrastructure practices (i.e., customer relationship, supplier relationship, and workforce management) and traditional Quality Management core practices (i.e., quality information, product/service design, and process management). The lower half presents three Six Sigma practices. Six Sigma role structure is considered as an infrastructure practice in that it is part of human resource infrastructure to assist the deployment of Six Sigma (Antony & Banuelas, 2002). Six Sigma structured improvement procedure and Six Sigma focus on metrics are two core practices as they represent the methodological elements of Six Sigma by emphasizing use of scientific methods, statistical tools, and quantitative metrics (Choo, Linderman, & Schroeder, 2004). This model suggests that the Six Sigma practices and traditional Quality Management practices work together to improve quality performance and business performance.

RESEARCH METHODOLOGY

The study adopted a descriptive research design that enabled the researcher gather information exhaustively on the subject matter. The descriptive approach was appropriate for this study not only in validating finding but also in the formulation of knowledge and providing solutions to the problems. An extensive literature and secondary data review were conducted to establish the current level of thinking within the field of employee involvement as a practice in quality management. Building on the secondary research data the study next focused on testing the hypotheses. Data collected was analyzed using Statistical Package for Social Sciences (SPSS). Variance inflation factor was used to illustrate the significance of the association between performance and employee involvement. The target population in this study was 46 steel manufacturing firms in Kenya listed in the Kenyan Business Directory 2015 (Directory, 2015). This study employed sampling whose purpose was to secure a representative group which enabled the study gain information about a population. The study used simple random sampling. Sample size was determined using Krejcie & Morgan, (1970). According to Krejcie and Morgan (1970), when N is 46, at a confidence level of 95 percent (giving a margin error of 0.05), the sample size is 42. The specific participants will be those occupying position 1 to 42 in the sampling frame according to the list provided in the yellow pages directory. The study used questionnaires to collect data from Management Representatives or Quality Assurance Managers or their equivalents in 42 Kenyan manufacturing firms in the metal and allied sector. The questionnaire comprised of both structured and unstructured questions.

To check and improve reliability and validity, a pilot study was undertaken in five companies that did not form part of the main study, and which was approximately 10% of the total sample (Mugenda & Mugenda, 2003). Five questionnaires were used to collect data in the five companies. Data was entered into Statistical Package for Social Scientists (SPSS) after which descriptive and inferential statistics were obtained. Frequency distributions were obtained for all personal data or classification variables.

RESULTS AND DISCUSSION

The regression analysis revealed the relationship between the dependent variable, performance of steel manufacturing companies in Kenya and independent variable which was employee involvement practice. From Table 1, R value was 0.718 which represented the simple correlation. It
indicated a relatively strong degree of correlation between employee involvement and organizational performance of Steel manufacturing companies in Kenya. The $R^2$ value indicated how much of the dependent variable, "organizational performance", could be explained by the independent variable, "Employee involvement". In this case, 0.515 can be explained, which was strong. This implied that the performance being experienced by the steel manufacturing companies in Kenya was driven by employee involvement to a moderate extent. In the context of QMS, this indicated that employee involvement by the steel manufacturing companies had significantly contributed to improved quality management and in the long run had led to improved organizational performance.

Table 1: Model Summary for employee involvement practice

<table>
<thead>
<tr>
<th>Model 1</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.718</td>
<td>0.515</td>
<td>0.503</td>
<td>0.499</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Employee Involvement

Table 2 shows results of analysis of variance (ANOVA) between employee involvement and organizational performance of the steel manufacturing companies in Kenya. The results indicated that the regression model predicted the outcome variable significantly. This indicated the statistical significance of the regression model that was applied. An attained F statistic of 42.507 supported by a probability ($p$) value of 0.000 ($p < 0.05$), indicated that the model was significant. This indicated that on overall, the model applied could statistically significantly predict the outcome variable.

Table 2: Analysis of Variance ANOVA$^a$ (F-Test) for Employee Involvement practice

<table>
<thead>
<tr>
<th>Model 1</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>15.260</td>
<td>1</td>
<td>15.260</td>
<td>42.507</td>
<td>0.000$^b$</td>
</tr>
<tr>
<td>Residual</td>
<td>14.360</td>
<td>40</td>
<td>0.359</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>29.619</td>
<td>41</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance of Steel Manufacturing Companies in Kenya

b. Predictors: (Constant), Employee Involvement practice,$X_1$

Results of statistical analysis shown in Table 3 provided the information needed to predict organizational performance from employees’ involvement. Both the constant and employees’ involvement contributed significantly to the model. The linear regression model was presented as follows; $Y = \beta_0 + \beta_1X_1 + \varepsilon$; where $Y$ = Performance of Steel Manufacturing Companies in Kenya; $\beta_0$, $\beta_1$, $\alpha$ = Coefficient of Performance of Steel manufacturing companies; $X_1$ = Employee Involvement practice. Therefore $Y = 0.024 + 1.058X_1 + \varepsilon$.

The collinearity statistics returned a VIF value of 3. The interpretation was guided by the range where VIF = 1 showed no correlation, $1 < \text{VIF} < 5$ showed moderately correlation of variables while VIF > 5 to 10 meant highly correlated. In this case, the results showed that employee’s involvement and organizational performance were moderately correlated. The results were shown below;
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Table 3: Coefficient and the Variance Inflation Factor for Employee Involvement practice

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>0.024</td>
<td>0.282</td>
<td>0.087</td>
<td>0.931</td>
<td></td>
</tr>
<tr>
<td>Employee’s Involvement</td>
<td>1.058</td>
<td>0.162</td>
<td>0.718</td>
<td>6.520</td>
<td>1.000 3.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance of Steel Manufacturing Companies in Kenya
b. Predictors: (Constant), Employees’ Involvement practice X1.

The findings concurred with a study by Laudon, (2006) which established that managers should involve the employees in the design and operations of the quality management because they were more likely to react positively to the completed system if they had been active participants in the change process. Incorporating employee’s knowledge and expertise lead to better solutions. In addition, employee participation is a procedure that authorizes workers to contribute in decision-making behavior suitable to their rank in the association. In retrospect, companies that manufacture steel in Kenya should involve their employees in high decision making especially on matters related to quality management. Employee engagement is defined as a positive attitude held by the employees towards the organization and its values (Robinson, Perryman and Hayday, 2004). An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization.

Conclusion
The study concluded that employee involvement practice contributed significantly to the performance of Steel Manufacturing companies in Kenya. Regression analysis results supported the finding with F statistic of 42.507 with a probability (p) value of 0.000 (p < 0.05) indicating that the model was significant. Correlation analysis results showed that there was a strong positive correlation between employee involvement practice and the performance of Steel Manufacturing companies in Kenya, (R=0.718 and R²=0.515). The findings from descriptive analysis indicated that majority of the respondents, 52.9% were not of the opinion that employees in steel manufacturing companies in Kenya were involved in high level decision making. This showed that to a significant extent, employees in steel manufacturing companies were not involved in high level decision making.

Recommendations
The study recommended that senior management be more committed in involving and training employees ensuring that they involved their employees in decision making especially on matters related to quality management and they should also install quality management improvement teams as a way of developing a culture for quality and enhance contribution of ideas from team members. The organization should work to develop and nurture engagement, which requires a two way relationship between employer and employee. The study further recommends that steel manufacturing companies should think strategically and implement effective ways to motivate employees towards behaving positively to their customers.
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