EMPLOYEE RELATIONS STRATEGIES AND PERFORMANCE OF WATER AND SEWERAGE SERVICE PROVIDER IN NAIROBI CITY COUNTY, KENYA

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D53/CTY/PT/24103/2011

A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (HUMAN RESOURCE MANAGEMENT), KENYATTA UNIVERSITY

MAY, 2019
DECLARATION

This research project submitted to the Department of Business Administration, Kenyatta University is my original work and has not been presented for a degree in any other university. Consequently, no part of this work should be copied without permission of the author and or Kenyatta University.

……………………………………..……………………………………..

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Supervisor

I confirm that the work presented in this research project was carried out by the candidate under my supervision.

……………………………………..……………………………………..

Signature Date

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DEDICATION

This research work is dedicated first and foremost to the almighty God for His grace and wisdom. Secondly is to my family members for their encouragement and especially my mother for her constant encouragement for me to complete the Master’s Degree and my children for challenging me harder by always asking me when I will graduate. To my late father, Richard Wangila, you supported me all through and you were very proud of my efforts. I wish you were around to see the far God has brought me. May your soul Rest in Peace. To God be the glory.
ACKNOWLEDGEMENT

First and foremost, I wish to thank the almighty God for his love, blessings, favors, gift of healthy life, and the opportunity to be. May all the glory and honor be to his name always. I wish to sincerely thank my supervisor Dr. David Kiiru for his support, guidance, encouragement, patience, availability for consultation at short notices and understanding. May the Almighty God bless you all abundantly and grant you desires of your hearts. Sincere appreciation goes to Nairobi City Water & Sewerage Company management for granting authority to conduct this research at their institution and staff for availing their time to provide the data required for this project in good time. I would like to thank my mother Mrs. Violet Wangila for her persistent encouragement and push to finish the Masters programme. Finally, my sincere appreciation goes to my husband for the encouragement when it looked hard and my children Dama and Lisa, for asking me constantly when I would graduate, the question ignited the little energy in me to work even harder. To baby Adriana, you literally did not understand what kept me busy on the laptop, a copy of this document will be preserved for your future reference in your academic work and appreciation.
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<th>Description</th>
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<tbody>
<tr>
<td>AWSB</td>
<td>Athi Water Services Board</td>
</tr>
<tr>
<td>CBA</td>
<td>Collective Bargaining Agreement</td>
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<tr>
<td>ER</td>
<td>Employee Relations</td>
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<td>HR</td>
<td>Human Resources</td>
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<td>HRM</td>
<td>Human Resources Management</td>
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<td>ILO</td>
<td>International Labor Organization</td>
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<td>ISO</td>
<td>International Standards Organization</td>
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<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
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<tr>
<td>MD</td>
<td>Managing Director</td>
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<tr>
<td>NCC</td>
<td>Nairobi City County</td>
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<tr>
<td>NCWSC</td>
<td>Nairobi City Water and Sewerage Company</td>
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<tr>
<td>WASREB</td>
<td>Water Service Regulatory Board</td>
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<tr>
<td>OSHA</td>
<td>Occupational Safety Health Act</td>
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<td>PPE</td>
<td>Protective Personal Equipment</td>
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**OPERATIONAL DEFINITION OF TERMS**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td><strong>Collective Bargaining</strong></td>
<td>A situation whereby an organization negotiates with its employees in order to agree on matters concerning them in their workplace.</td>
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<td><strong>Employee Relation</strong></td>
<td>An effort made by an organization in managing employees’ relationship.</td>
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<tr>
<td><strong>Employee Relations Strategies</strong></td>
<td>A way in which an organization ensures a healthy relationship among its employees.</td>
</tr>
<tr>
<td><strong>Employee performance</strong></td>
<td>Refers to how well an employee achieves his/her assigned task.</td>
</tr>
<tr>
<td><strong>Employee Participation</strong></td>
<td>Engagement of employees in decision making process on matters concerning performance of the organization.</td>
</tr>
<tr>
<td><strong>Employee Welfare</strong></td>
<td>These are activities initiated over and above the wages meant to make the working environment comfortable and worth working from.</td>
</tr>
<tr>
<td><strong>Grievance</strong></td>
<td>A specific complaint or formal notice of employee dissatisfaction related to the adequacy of pay or compensation, the job requirements, the current work conditions, or other aspects of their employment.</td>
</tr>
<tr>
<td>Organizational performance</td>
<td>This is the result or the output of the organization that are a measure on the goals and objectives measured in term of efficiency, revenue growth and customer satisfaction.</td>
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ABSTRACT

Employee relations is one of the key fundamental elements of organizational performance, prosperity and sustainability. Since good employee relations results in a highly committed, motivated and loyal employees there is need for organizations to develop strategies that will improve performance. Employee relations strategy involves decisions and actions made by the management affecting the way in which the organization relates with its employees. The general objective of this study was to establish the effect of employee relations strategies on the performance of Water and Sewerage service providers in Nairobi Kenya. The Water and Sewerage service provider under study was Nairobi City Water & Sewerage Company, Kenya owing to the fact that it is the largest service provider both in Nairobi and Kenya based on customer base and revenue turnover hence the findings were generalized to the entire population. The study was guided by the following specific objectives; To examine the effect of employee welfare, communication, employee participation and grievance resolution mechanism on the performance of Nairobi City Water & Sewerage Company, Kenya. The study was anchored on four theories; unitarist, pluralist, system and process theories. The study employed a descriptive design. The target respondents were 3534 staff cutting across all cadres. Stratified random sampling was applied to select 10% of respondent from each stratum of; senior managers, middle level managers, supervisors and support staff thus sample population was 354. Primary data was collected using structured questionnaires and analyzed using descriptive and inferential statistics and the results presented in tables. The study found that employee welfare, communication, employee participation and grievance resolution as components of employee relations strategies significantly influence organizational performance at Nairobi City Water and Sewerage Company, Kenya and therefore various strategies to strengthen these components of employee relations strategies should be explored and put in place. The multiple regression analysis results indicated that variations in employee relations strategies discussed that is; employee welfare, communication, employee participation and grievance resolution explains 54.8% of the variations on organization performance at Nairobi City Water and Sewerage Company Kenya meaning the other employee relations strategies for training, recruitment among others that influence performance of Nairobi City Water and Sewerage Company. The study recommended that a similar study should be carried out in various organizations in other sectors of the economy to complement the findings.
CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Every organization has an objective either to produce goods or provide services and this could be for commercial purposes or charitable. Organizations are also faced with increased cut throat competition and fast advancement of technology both at client and organization level becoming more pervasive, organizations need to keep performing at its best at all times. To achieve this, organizations must have a workforce that is committed and motivated to giving their very best towards the organizations objectives. The most critical factor of production is the human resource. This resource must be treated with a lot of care if the organization is to achieve its intended goals (Dessler, 2008). Organizations are encouraging employees to be more responsible and act and think like owners of the organization. They are encouraging teamwork and the formation of teams to work together effectively, share the same values, and make decisions to meet the organization’s primary goals and objectives.

The increasing significance of people to organizational success has been observed to have corresponded with the rise of Strategic Human Resource Management (SHRM) as a field of study on a global scale (Hartel et al., 2007). Research has shown that human resource management practices have the ability to create firms that are more intelligent, flexible, and competent than their rivals through the application of policies and practices that concentrate on recruiting, selecting, training skilled employees and directing their best efforts to cooperate within the resource bundle of the organization (Rawashdeh & Al-Adwan, 2012).
Any business organizations’ success greatly depends on management and employees’ relationship. Employee commitment, productivity and loyalty is important role in the growth of the organization in a business environment that is competitive. In order to achieve a healthy and strong relationship between the workforce and organization, well-organized strategies on employee relations should be established. The relationship between employers, trade unions and employees, communication, management of disputes and grievances is a key drive of competitive firms operating in the dynamic business environment (George and Jones, 2008).

1.1.1 Employee Relations Strategies

Employee relations strategies encompasses all management decisions and actions that affect the nature of the relationship between the employer and its employees (Beer and Spector. 1985; Boxall and Purcell. 2000). The term employee relation has been used synonymously with industrial relations and employment relations. According to (Lewis et al., 2003) Industrial Relations is associated with the declining “Smokestack” industries and blue collar workers and the accompanying emphasis upon Collective Bargaining Agreements between employers and Trade Unions.

Employee relations suggests a wider employment canvas being covered with equal importance attached to none union employment arrangements and white collar jobs. It is concerned with the social economic relationship that forms and revolves around a contract between the parties to perform work in return for employment benefits such as remuneration (Perkins & Shortland, 2006). The emphasis on both employee relations and industrial relations is on participation, process and practices (Salamon, 2000; Lewis et al., 2003).
Employment relationship is an economic, social and political relationships where employees provide manual and mental labour in exchange for rewards by employers (Lewis, Thornhill & Saunders, 2003). Due to increased global competition over the last three decades, organizations have emphasized on labour efficiency and cost control (Perkins & Shortland, 2006). This has called for effective employee relations strategies that enable the employees to dedicate their energy to the achievement of organizational goals.

Firms actively seek good employee relations whether or not they are bound by union contracts. Proactive steps in anticipation of employee needs and expectations are therefore characteristic of strategic managers (Pearce and Robinson (2009). Organizations should strive to satisfy their employees with good pay, good supervision and good stimulating work (Pearce & Robison, 2009). Employee satisfaction is related to customer satisfaction.

Industrial Relations system in Kenya is anchored on the International Labour Organization’s Convention No.150 of 178 on Labour Administration. Kenya joined the ILO in 1949. This is domesticated through the Industrial Relations Charter (1984) and the Labour Relations Act (2007). The system envisages that such consultations start at the shop floor levels, cascading to the national levels. Odhong, Were and Omolo (2014) indicates that the role of industrial relations institutions is to promote social dialogue and industrial harmony.

Employee participation is about employee involvement in matters concerning the organization. Participative management entails encouraging employees to take part in the decision making process influencing the organization. Armstrong (2006) holds that employee participation and empowerment generally creates a climate of trust and
fosters justice in organizations. Individuals will feel that they have been dealt with legitimately if administration's choices and strategies are reasonable, predictable, straightforward, non-oppressive and appropriately think about the perspectives and requirements of employees. Research conducted by Cox (2006) indicated that to be effective, employee involvement and participation mechanism have to be embedded in the organization well established and part of everyday working life. The main barriers to effective employee voice appear to be a partial lack of employee enthusiasm, absence of necessary skills to implement and manage employee voice programs and issues concerning line managers such as middle managers acting as blockers through choice or ignorance.

Another critical employee relations strategy that drives performance in organisations is effective communication. Communication aids in relaying the strategies of the organization to all the employees. In the era of increasing public accountability it is imperative that organizations can communicate vision and strategy and demonstrate progress and outcomes in achieving that vision. According to Ivancevich et al., (1997) top management should play a role in communicating the strategy to the organizations employees and other stakeholders. Effective communication makes sure people have the information they need and is the foundation for any good relationship. Harzing and Ruysseveldt (2004) noted that effective communication is absolutely critical to successful integration of employees. Performance expectations, if not properly communicated, are far more difficult to be achieved and thus management's openness to staff members' input, feedback, ideas and suggestions is the foundation of good communications and strong employee relationships.
Very important is grievance resolution mechanism in organization in whichever form whether through arbitration, through joint consultation with union and ensuring prompt resolution of a case. Grievance and conflict among employees in an organization is inevitable. Mesh ’al (2001) suggests that grievance is an inevitable natural part of the dynamics of workplace including the most solid ones. People perceive differently situations and will try to persuade others to think as them. Thus, grievance occur frequently when there are open communication barriers, when you feel a perceived threat or one that is real to your status of employment or when targets of workplace are not met by an individual. If unmanaged, conflict becomes destructive and highly negatively impact employee productivity and the organizations’ success. If employers start understanding the cause and how to react to conflict, they thrive more in the managing and prevention of future conflicts (Gazioglu and Tansel, 2006). Disputes can arise due to misunderstandings or mistakes and poor communication and decision making, tensions or personal difficulties, breaches of trust or of the law, infringements of personal dignity or human rights, inability or unwillingness to perform allocated work and unacceptable behavior. Dispute affect morale, reduce productivity and ultimately undermine organization performance and growth. (Ngari and Agusioma,2016)

Related to employee relations is welfare of employees at work place that includes safety and health, wellness programmes like canteen, sports and financial security like retirement, loans, mortgages among others. Employees no longer are attracted to job security and salary but the whole package of welfare programmes. There are three reasons why organizations should be concerned with the well-being of their employees. First and most importantly, they have a duty of care and this means adopting a socially responsible approach to looking after their people. Second,
employers are responsible for creating a good work environment not only because it is their duty to do so but also as part of the total reward system. Third, it is in the interests of employers to do so because and help to establish it, as a best place of work. (Taylor 2008). According to Kahns model (2011) employee welfare schemes are those measures that aims at promoting physical, psychological and general wellbeing of the working class. Maslach et al., (2012) states that welfare schemes include some or all of the amenities provided in or near the organization and related to the working and living conditions. These facilities include canteens and nourishment facilities, transport arrangements, recreational services, housing schemes, education and training of employees, pension, bonus, medical facilities, childcare facilities, alcohol drug and substance support facilities etc.

According to Ngui (2016) performance of organizations that maintained good employee relations according to the responses from employees and based on number of conflicts reported, communication and involvement in decision making over a period of five years compared to the organizations that did not have good employee relations had higher performance in terms of market share, loan sales, revenue, financial strength, return on equity, return on investment and profitability. It thus implies that today employee relations in Kenya is more about involvement, engagement, participation, communication, decent employee welfare and sound dispute and grievance resolution among other strategies.

1.1.2 Organization Performance of Water and Sewerage Companies in Kenya

Water is the most important natural resource, indispensable for life and at the same time the backbone of growth and prosperity for mankind. Just like food, water is a basic human need which is also a fundamental right that Kenyan citizens need to enjoy without any limitation. The constitution of Kenya in Article 43(1) (d) states that
every person has the right to clean and safe water in adequate quantities. With these rights stipulated, no individual or entity should seize the power to arbitrarily control the price of or access to this source of life. It is the mandate of the government and all other stakeholders involved to ensure that this basic need and human right is available, accessible, adequate, safe and affordable to all its citizens.

The Government of Kenya prioritized increasing access to sustainable and affordable water services within its overall policy framework of the economic recovery strategy for wealth and employment creation. Water supply and sanitation are among the key issues emphasized under the social pillar of the Kenya Vision 2030. The Vision envisages availability and access of water to all by the year 2030.

Provision of services and consumer assurance and protection remains a key challenge even in the public sector and water sector not excluded. The concern of the effectiveness, productivity, efficiency and excellence of organizations is a subject that has motivated the study of many scholars. Armstrong (2006) defines performance management as a systematic process for improving organizational performance by developing the performance of individuals and teams. According to Bohlander and Snell (2007) organizational performance comprises the actual output or results of an organization measured against its intended outputs (organizational goals and objectives).

Performance management is based on an established measurement system consisting of tools, indicators and procedures that have been chosen and are best suited to concrete situations and specific characteristics of concrete organization (Kondurasuk, 2011). Good employee performance has been linked with increased consumer
perception of service quality, while poor employee performance has been linked with increased customer complaints and brand switching.

According to Williams (2011) one of the most important reasons to measure performance, and then manage it once it has been measured, is to keep employees working at a highly efficient and productive rate. Performance measures ranging from annual reviews to quarterly quotas ensure that employees work hard and well or face a poor evaluation. HR practitioners further claim that performance appraisal is an essential part of an organizational culture and it is required to assess organizational progress towards goals.

Performance is enhanced by systems of practices (bundled human resource practices) that support each other and have a mutually reinforcing effect on employee contribution to performance (Cook 2000). There is a symbiotic relationship between human resources strategy and performance in the manufacturing sector (Cook, 2000; Barney, 2000; Paterson et al., 2006). HRM strategies can improve productivity by; increasing employee skills and abilities, promoting positive attitudes and increasing motivation, and providing employees with expanded responsibilities so that they can make full use of their skills and abilities.

Performance indicators include: financial (profits), market share, efficiency, reliability, flexibility among others. Water Service Regulatory Board (WASREB) is the body that is mandated to monitor and regulate performance of Water Services in Kenya. Performance assessment and ranking of utilities is key in ensuring that water services are provided in an efficient and sustainable manner. Utilities continue to be assessed and ranked on the basis of nine Key Performance Indicators (KPIs). These are Water Coverage, Drinking Water Quality, Hours of Supply, Non-Revenue Water
reduction, and Metering Ratio. The others are Staff Productivity, Revenue Collection Efficiency, Operation Maintenance Cost Coverage and Personnel Expenditure as a Percentage of Operating and Maintenance Costs. (WASREB Impact Report Issue No.10, 2018). The assessment is done annually.

The aim of employee relations resource strategies is to devise ways of managing people in order to assist in achievement of organizational objectives.

1.1.3 Profile of Nairobi City Water and Sewerage Company

Nairobi City Water and Sewerage Company (NCWSC) was incorporated in December 2003. It is a wholly owned subsidiary of the Nairobi City County Government and has its headquarters along Kampala Road, Industrial Area, Nairobi. The company’s core business is provision of water and sewerage services to the Nairobians and its environs. The services provided by the Company fall under eight functional directorates. These directorates are Financial Services, Human Resources and Administration, Commercial Services, Technical Services, Information Communication Technology (ICT), Legal Services, Internal Audit and Risk Management Services and the office of the Managing Director (MD). The eight directorates are further sub-divided into various departments (Nairobi City Water and Sewerage Company Strategic Plan, 2014/15 – 2018/19).

As at July 2017, Nairobi City Water and Sewerage Company had 3,511 staff. The total population in company’s area of operation is 4.2M while the total population served is 3.4M. The total numbers of connections both active and inactive are 604,649 while the number of active contracted customers is 582,502 with total turnover of 9.6M. (WASREB Impact Report Issue No.10, 2018). The employees are deployed in seventeen (17 No.) stations some of which have several sub stations that are
geographically dispersed in and outside the city of Nairobi. The average monthly revenue is about Kshs.700M. The 2002 Water Act brought about reforms in the Water Sector that were aimed at facilitating access to clean water and sewerage services to all Kenyans. The Act, was however repealed by Water Act 2016. The Act was operationalized on 21st April, 2017 through legal Notice No.59 and 60. The law provides more clarity on institutional roles in the regulation, management and development of water resources and water services. It also aligns the 2002 Water Act reforms with constitutional provisions on the human right to water.

The Company is ISO 9001:2015 certified to guarantee the consumers on the quality management systems adopted within the Company. The Nairobi City Water and Sewerage Company is committed to ensuring that all stakeholders receive water regularly and efficiently and that the water reaching the customers is of highest quality. The Company aspires to be a role model among other water companies established across Africa as per its vision and mission statement.

1.2 Statement of the problem

Water scarcity is a serious problem in Kenya’s urban centers which have continued to receive huge populations resulting from rural urban migration. The situation is further aggravated by the phenomenon of climate change and poor land use in catchment areas. Although the Government of Kenya has been undertaking a series of reforms aimed at enhancing quality, efficiency and transparency in service delivery by Water sector institutions, access to sustainable water supply services remains a challenge. Nairobi City Water and Sewerage Company is charged with the responsibility of providing water and sewerage services to the residents of Nairobi and the surrounding environs. The focus of the company is to effectively and efficiently provide quality
and reliable services at affordable cost to the customers (NCWSC Strategic Plan, 2014/15 – 2018/19).

Despite notable performance of water and sewerage services to the residence of Nairobi City County the Company was ranked number 17 out of 88 Water Service providers in Kenya in 2017. That was the worst ranking ever as compared to previous years. The company performed poorly on water supply where the average supply of water to residents was 6 hours against the target of 24 hours. The poor rating collaborates customer’s complaints of supply fails. Another area of poor performance was on reduction of Non-Revenue Water that stood at 38% against the benchmark of 25% (WASREB Impact Report Issue No.10, 2018).

Non-revenue water and supply fail according to WASREB is attributed to integrity issues where staff colludes with customers to connect illegal connections to evade paying for water. The total population serviced is 3.4M; total number of connections is 604,649 while the active accounts are 582,502. The revenue turnover from the active accounts of Kshs. 112,819 billing was Kshs. 9.6Bn. This implies that if the company reduce non-revenue water by 13 percent to hit the 25 per cent benchmark it would realize turnover of Kshs. 20Bn and monthly collection of Kshs. 1.6Bn. From the mathematics the revenue loss could have been used in expanding the infrastructures geared towards reduction of water rationing programme that are currently in place, and being tightened every other day either due to lack of rain or expanding population.

In recent years, Kenya has been experiencing a lot of industrial action by trade unions especially in the Public Sector. The Labour Commissioners Annual Report (2016/2017) indicates that they settled 667 disputes while strikes and lock outs
incidences were 16. The strikes involved a total of 18,131 employees resulting to a total of 379,901 man hours lost. Worth noting is that out of the 16, water service providers were not affected majority incidences occurred in health and education sector. Despite the fact that the water service providers did not go on strike, Nairobi City Water and Sewerage Company participated in a go slow in 2017 due to leadership wrangles at board level and management. The operational and performance challenge aforementioned is an indicator that there exists a problem and may be the problem is associated with employee relations strategies employed in the organization. For effective output, communication of organization performance, what is expected from employees, coupled with involving employees in matters of the organization, provision of modest employee welfare and embracing of vibrant grievance resolution mechanism has a bearing on organization performance.

These objectives can be attained through implementation of sound employee relations policies and strategies and hence the researcher’s rationale of seeking to assess the influence of employee relations strategies at Nairobi City Water and Sewerage Company. A study conducted by Blyton (2008) revealed that employees do not put up their best performances at workplaces when they are un-happy with their leadership, government, or even their fellow colleagues.

Unfortunately, most studies that have previously investigated influence of employee relations strategies on organization performance have not been done in water and sewerage companies. Oguwa (2011) did a study on influence of employee relations strategies on organizational performance at Kenya Commercial Bank, Kisumu Branch. Specific objectives for the study were staffing and promotions, employee training, performance appraisal, job analysis and job description and employee reward
system. He however did not assess objectives that this study seeks to evaluate hence creating a gap that this study seeks to fill.

Another study done by Karanja (2011) to establish relationship between employee relations and organization performance in Tororo Cement Factory in Uganda looked at communication, employee participation and general motivation factors but did not assess grievance resolution and staff welfare. This study will fill the gap left by the study. Critique of empirical review regarding the study reveal that no studies on employee relations strategies have been done in water and sewerage Companies in Kenya and Nairobi City Water and Sewerage Company. This study therefore intends to fill this gap by investigating the effect of employee relations strategies on performance of Nairobi City Water and Sewerage Company.

1.3 Objectives of the study

The objectives of the study comprise general and specific as outlined below;

1.3.1 General Objectives

The general objective of the study was to find out the influence of employee relations strategies on performance at Nairobi City Water and Sewerage Company, Kenya.

1.3.2 Specific Objectives

The specific objectives of the study were:

i. To examine how employee welfare, affect performance at Nairobi City Water and Sewerage Company, Kenya.

ii. To determine whether communication affects performance at Nairobi City Water and Sewerage Company, Kenya.
iii. To examine whether employee participation affects performance at Nairobi City Water and Sewerage Company, Kenya.

iv. To access whether grievance resolution mechanism affects performance at Nairobi City Water and Sewerage Company, Kenya.

1.4 Research Questions

i. How does employee welfare affect performance of Nairobi City Water and Sewerage Company, Kenya?

ii. How does communication affect performance of Nairobi City Water and Sewerage Company, Kenya?

iii. How does employee participation affect performance of Nairobi City Water and Sewerage Company, Kenya?

iv. To what extent does grievance resolution mechanism affects performance at Nairobi City Water and Sewerage Company, Kenya?

1.5 Significant of the study

The findings of this study are of significance to various stakeholders. The study is useful to various institutions as it gives them gainful insights on the benefits of sound employee relations practices in their organizations. By gaining insights on how employee welfare, communication, employee participation and grievance resolution mechanism impact on the organizational performance in their institutions, the management will be able to adopt them as key employee relations strategies to manage human resource so as to achieve their objectives. Other Water Utilities Companies may use the study findings to formulate and implement policies that will help in sound human resource management that will stir commitment from staff and improve service delivery.
The study will also contribute to the body of knowledge by academia and researchers in the same area of study since the study will act as reference in their literature reviews. It will encourage further research on employee relations strategies.

1.6 Scope of the Study

The study was limited to Employee Relations strategies employed in Nairobi City Water and Sewerage Company and their effect on organization performance. The research was carried out at the Nairobi City Water and Sewerage Company headquarters at the Industrial Area Nairobi for convenience and proximity purposes. The study was done in only one company in the Water and Sanitation sector in a range of so many different organisations.

The study was limited to four variables which are Employee Welfare, Communication, Employee Participation and Grievance Resolution Mechanism because it is not possible to include all the employee relations strategies in one study.

1.7 Limitations Of the Study

Most organizations and respondents do not divulge information easily regarding their strategies and policies; limited access to information at Nairobi City Water and Sewerage Company was a big challenge as some employees were hesitant to offer the information freely for fear that such information may be exposed. A letter from Kenyatta University was used to prove the same. Respondents on the other had unknown fear of victimization and unnecessary delay in completing the questionnaire. This challenge was overcome by assuring the respondents that the research was for purely academic purposes.
The study was limited to only one company in the water provider sector. For a more conclusive result, all other water companies should be studied. This was not possible however due to financial, time and other resources ’constraints.

Since it was not possible to verify if the respondents gave the researcher true responses the study held the assumption that the responses given by the respondents were true.

1.8 Organization of the study

The research work is presented in five chapters. Chapter one presents the background of the study, context of the study, statement of the problem, and objectives of the study and research questions. It also covers the significance of the study, limitations of the study and scope of the study. Chapter two covers Literature reviews, theoretical review and empirical review. It also covers the conceptual framework, summary of literature review as well as gaps in the literature review. Chapter three outlines the research methodology which includes research designs, target population, sample size and sampling techniques, data instruments, validity, reliability, data collection procedures and data analysis.

Chapter four discusses data presentation and analysis that is the descriptive statistics and the inferential statistics and lastly, chapter five presents the summary of the study, conclusion and recommendations on the research results of the study.
2.1 Introduction
This chapter presents literature that is related to the study objectives. It begins with theoretical review, the empirical review and the conceptual framework.

2.2 Theoretical Review
The following section presents theories guiding the study. The study was guided by the unitarist theory, pluralist theory, systems theory and process theory.

2.2.1 Unitarist Theory
Unitarist theory originated from Fox’s (1966). The theory perpetuates that an organization should have one main body of authority. This body whether in the form of a single person or small governing body manages all the decisions in the business. Unitarian leaders in the workplace are concerned with keeping worker loyalty. They inspire hard work in their employees by creating a unified goal for all individuals. Businesses that employ this theory are good at motivating employees to a single goal, but are criticized for their increased disregard for trade unions and sometimes dictator like approaches to decision-making. Employees have no power, while managers have too much. It therefore conflicts with today’s employee relations which is about employee involvement, engagement and participation Fox’s (1966).

Unitarist view is typically held by the management who saw their function as that of directing and controlling the workforce to achieve economic and growth objectives Armstrong (2006). According to Aborisade (2008), the larger social system or the work enterprise is likened to a football team or a family which shares a common goal from the unitarist perspective, all the ideas, observations and actions of management
or government are legitimate and rational and all the ideas, perceptions and actions of the workers that conflict with the command of the management or government are illegitimate and irrational. Unitarist suggest that management should set the rules and workers should cooperate in complying with the rules.

A major strength of unitary theory is that it primarily wants to integrate employer and employee interests in order to enhance employee commitment and loyalty (Guest and Peccei, 2001). Unitary theory can be used as a basis for stakeholder management wherein employee are seen as important stakeholders of the organization and so their well-being is carefully considered in ensuring the welfare of the organization (Ackers and Payne, 1998). In line with the study, this theory is critical since it strives to ensure that management puts in place a well laid out management practices that supports employees to foster good relations and there is no need to have union to champion employee welfare. Consequently, it presents a weakness of ignoring employee voice and the spirit of industrial relations.

2.2.2 Pluralist Theory

Pluralism theory according to Fox’s (1996) creates a workplace where there is more than one source of authority. Decisions are typically made by a group effort and not according to the authority of one governing body. It is also more focused on individual goals, and supports the functions of trade unions. Pluralists differ from unitarists in that they start from a set of assumptions and values that workplace conflict is inevitable. Management and employees constitute two such groups, who, because of the very nature of the factory system, are seen as invariably subscribing to different values and objectives. From this frame of reference, it is also assumed that there will be different sources of authority within an organization, and that the
potential for conflict between them will always exist over the organization of work tasks and the allocation of rewards.

The pluralist doctrine is, therefore, a political theory which seeks to redress the shortcoming of the capitalist political order to prevent its overthrow and safeguard the status quo. It is the philosophy that is end of class based politics and the possibility of harmonious relations between the oppressed and the oppressor. The pluralist theory maintains that the social system is not a unitary organization but a coalition of individuals and groups with sectional interests and district perception of the social structure (Aborisade, 2008).

Pluralist theory is important to this study since it gives cognizance to employee voice both direct and through trade union and this fosters good communication and employee participation that affects employee relations where employee commitment and trust is achieved.

**2.2.3 System Theory**

Systems theory was originally developed by (Bertalanffy 1968). The most famous theory drawing on a pluralist frame of reference is Dunlop’s, (1993) systems theory which argues that industrial relations are best regarded as a subsystem of the wider social system. The theory holds work to be governed by a wide range of formal and informal rules and regulations which cover everything from recruitment, holidays, performance, wages, hours and a myriad of other details of employment. It avers that these rules are what industrial actors try to determine that their establishment is influenced by the wider environmental context in which the actors operate and that the actors themselves share an interest in maintaining the processes of negotiation and conflict resolution (Leisghninger, 2013)
Four elements are held to make up the system of industrial relations rule-making. The first is industrial actors, which consists of employer’s and their representatives, employees and their representatives and external agencies with an interest in industrial relations. The second is the environmental context which was made up of prevailing economic and technological conditions, as well as the distribution of power in wider society each of which is thought to influence or as well the distribution of power in wider society each of which is thought to influence or constrain the actions of actors engaged in industrial relations. The third is a so called web of rules that governs the employment relationship and is held to be the outcome of interactions between the actors.

The last is a binding ideology which is a set of common beliefs and understandings that serve to encourage compromises on the part of each actor for the sake of making the system operable (Gulyaev and Stonyer 2002). Systems theory is important to this study since employee relations thrive on both formal and informal rules and regulations. Organizations must put in place clear rules and regulations that guide communication, staff welfare, employee participation and grievance resolution for consistency and fairness.

**2.1.4 Process Theory**

Process theory focuses on psychological processes which affects motivation, by reference to expectations (Vroom, 1964), goals (Latham and Locke, 1979) and perceptions of equity (Adams, 1965). It is also known as cognitive theory because it is concerned with people’s perceptions of their working environment and the ways in which they interpret and understand it. Armstrong (2001) observed that the basic requirements for job satisfaction may include comparatively higher pay, an equitable payment system, real opportunities for promotion, considerate and participative
management, a reasonable degree of social interaction at work, interesting and varied tasks and a high degree of autonomy. Process theories of motivation mentioned herein contribute heavily to human resource practices that have a bearing on psychological contract. Understanding motivation theory can certainly be more useful to managers than needs theory because it provides more realistic guidance on motivation techniques.

2.3 Empirical Review

It is empirically observed by many researchers both global and local that Human Resources are a significant organizational asset if properly used and managed. The application of appropriate strategies for the development of human resource can lead to improvement of employee relations and organization performance both in the short and long run. The section below reviews the studies done by other researchers on the impact of employee relations strategies on organization performance.

2.3.1 Employee Welfare and Performance

There are three reasons why organizations should be concerned with the well-being of their employees. First and most importantly, they have a duty of care and this means adopting a socially responsible approach to looking after their people. Second, employers are responsible for creating a good work environment not only because it is their duty to do so but also as part of the total reward system. Third, it is in the interests of employers to do so because and help to establish it, as a best place of work. (Taylor 2008)

According to Odhong and Omolo (2014) in their study to establish how working conditions effect employee relations at Waridi Ltd. The indicators used were work environment with focus on working hours, job descriptions and provision of
protective gear. The study established that the working conditions were favorable and promote performance since results indicated that jobs were clearly defined and the working hours were between 1-9 hours in a day, with eight hours being the most common. The study results also showed that all the employees were provided with protective clothing. Overall, the employees interviewed noted that their current working conditions do not affect their performance since the working conditions were favourable. Research gap exists since the study did not explore other factors of working conditions like wellness benefits, safety benefits and financial security hence leaving a gap to be explored.

A study carried out by Muruu, Were and Abok (2016) on the success of the employee’s welfare programs depending on the approach in which the organization had taken into account indicates that an organization should have a policy that guides provision of such welfare programs to employees which include medical facilities, sanitary, accommodation of workers, amenities and industrial social security measures, training and education facilities, HIV and Aids reduction strategies.

Karanja (2011) study to establish the relationship between employee relations and organizational performance a case of Tororo Cement Factory in Uganda found that there was high level of employee turnover because of lack of motivation, inefficient communication, poor working condition, and lack of employee participation and the level of organization performance was poor that implies that effective employee relations strategies is significant on organization performance. The study also revealed that poor performance is as a result of poor working conditions, lack of motivation, ineffective communication and lack of employee participation. The study
did not present indicators for measures under working conditions leaving a gap to research further with specific indicators.

### 2.3.2 Communication and Performance

Communication is a process that contains expressing, listening and understanding (Banerji and Dayal, 2005). Communication is the exchange of massages between people for the purpose of achieving common meanings. Unless common meanings are shared, managers find it extremely difficult to influence others. The two communication skills of prime importance to managerial effectiveness are listening skills and feedback skills. These two skills are particularly critical because such a large proportion of employer’s time is spent in communicating. Feedback is a continuous part of managing. Although, managers may give feedback to a variety of individuals with whom they interact. Generally, people are more positive when receiving positive feedback while receiving negative feedback is generally more difficult. Kathryn and Martin (2001). Modern management techniques to a large extent aim to raise organizational performance by using the power of communication (Erogluer, 2011).

Study done by Shonubi, and Akintaro, (2016) on the impact of effective communication on organizational performance, concluded that for an effective and efficient organizational performance, management must embrace; more clarity of ideas before communicating; better understanding of the physical and human environment when communicating; purpose of communication must be thoroughly analyzed; when planning communication, consultation should both be top down and bottom up, and all facts must be implicit and explicit; consideration should be given to the content and tone of the messages; the languages must be messages the receiver
would find valuable; communication with precise messages and are short run often possess long run importance; all interested parties in communication should be encouraged to be good listeners; immediate actions must be accompanied and accomplished with communication; and lastly effective feedback and follow up mechanism process must succeed effective communication.

Otieno, Waiganjo and Njeru (2015), explored the effect of employee communication on Organization performance in Kenya’s horticultural sector. The study found that communication facilitates exchange of information and opinion with the organization, and that communication helps in improving operational efficiency thus improving organization performance. It concluded that communication is a major determinant of organization performance.

Ngui (2016) research results on the relationship between Employee Relations Strategies and Performance of Commercial Banks in Kenya with reference to communication established a positive effect of quality of communication between managers and staff and between employees among themselves on performance. When there was proper, continuous and efficient communication between employees and management and also with the unions it was found that the levels of trust increased and this in turn led the employees to be ready and willing to undertake their duties responsibly. The study was carried out in banking industry hence provides a gap for a study in the water sector.

Another study carried by Odhong and Omolo (2014) to determine the role of communication in employee relation at Waridi Ltd. This variable was measured using different concepts. The aspect of communication was gauged through source of information, whether or not workers communicate freely with the employers and the
extent to which the mode of communication affects employee relations. The study established that majority of the workers interviewed get their information through the union with a few getting information from the management. The study also established that employees communicate freely with their employer and that the mode of communication does not affect the employment relations which implies that it was positive. The sector under study presents the gaps since it was horticultural and not public service.

2.3.3 Employee Participation and Performance

Employee participation also known as employee voice refers to the say employees have in matters of concern to them in their organization. It involves direct involvement of employees and also trade union representation. According to Lewis et al., (2003) the direct part involves employees directly in decisions that go beyond their immediate work tasks. Employee involvement is based on the fact that participation in goal setting has been found to be related to the acceptance and subsequent commitment to the established goals, leading to favorable outcomes in terms of performance and attitudes (Harzing & Ruysseveldt, 2004). Lewis et al., (2003) advocates a managerial policy where employees and employers share goals and agree on the means to achieve them. This he believes will elicit employee’s commitment which in turn will yield both better economic performance and greater human development.

Cherono (2012) research at the Unilever Tea Kenya Ltd in Kericho County established that participation of the employees significantly improved the level of productivity which was indicated by a mean of 4.2258 which implies that involving employees in decision making through direct consultations between employees and
immediate supervisors, through union as collective voice for buy in and through joint work committee has a positive impact organization productivity and growth. However, the study has a gap as participation as a variable is used to measure its influence on employee development or growth and not as employee relations strategy hence creating a gap to be explored.

Odhong and Omolo (2014) study established that majority of staff workers got information on any changes, organization performance through the union with a few getting information from the management. The overall assessment was that majority of employees gave a favorable ratings of the general concepts of employee relations as practiced in the Company. Then it means that by involving employees individually and through union the outcome is positive employee relations as opposed to unitarist theory of centralization of power.

Research conducted by Cox (2006) indicated that to be effective, employee involvement and participation mechanism have to be embedded in the organization well established and part of everyday working life. The main barriers to effective employee voice appear to be a partial lack of employee enthusiasm, absence of necessary skills to implement and manage employee voice programs and issues concerning line managers such as middle managers acting as blockers through choice or ignorance.

2.3.4 Grievance Resolution Mechanism and Performance

Mesh ’al (2001) suggests that grievance is an inevitable natural part of the dynamics of workplace including the most solid ones. People perceive differently situations and will try to persuade others to think as them. Thus, grievance occur frequently when there are open communication barriers, when you feel a perceived threat or one that is
real to your status of employment or when targets of workplace are not met by an individual. If unmanaged, conflict becomes destructive and highly negatively impact employee productivity and the organizations’ success. If employers start understanding the cause and how to react to conflict, they thrive more in the managing and prevention of future conflicts (Gazioglu and Tansel, 2006).

Kanana (2016) study on the influence of conflict resolution on job satisfaction at the Swissport Kenya Limited established that job satisfaction is significantly influenced by conflict resolution practices and that employees’ job satisfaction can be affected by how they are treated by the employer during conflict management and also the decision made during conflict management. The study left a gap as it only shows that good conflict resolution practices improves job satisfaction of employees thus failing to show its impact on the overall organization performance. This research intends to fill in the gap.

Ngari and Agusioma (2016) study on how dispute resolution affects organization performance in private universities, they established that disputes in the workplace between employers and employees, or indeed between employees and their colleagues happen from time to time. Further according to the findings disputes can arise due to misunderstandings or mistakes and poor communication and decision making, tensions or personal difficulties, breaches of trust or of the law, infringements of personal dignity or human rights, inability or unwillingness to perform allocated work and unacceptable behavior. They further noted that disputes affect morale, reduce productivity and ultimately undermine organization performance and growth. They noted that the institutions involved their staff in decision making, have a formal grievance procedure and a formal disciplinary procedure.
Karanja (2011) study found that there is high level of employee turnover because of lack of motivation, inefficient communication, poor working condition, and lack of employee participation and the level of organization performance was poor as a result of poor relationship with employees which implies that effective employee relations strategies is significant on organization performance. The study has a research gap as it was carried out in a different country, sector and organization hence the need to fill the gap.

2.5 Summary of the Reviewed Literature and Research Gaps

Research gaps exist on the basis of location of study, Measurement of performance in terms of employee welfare, communication, employee participation and grievance resolution. The past studies on the effect of employee relations strategies on organizational performance reveals several gaps as summarized in the table below and the various research gaps identified give a justification that the research needed to be conducted so as to fill these gaps.
<table>
<thead>
<tr>
<th>Author</th>
<th>Focus of the Study</th>
<th>Findings</th>
<th>Research gap</th>
<th>Focus of the current study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanana (2016),</td>
<td>The Perceived Relationship Between Employee Relations Management Practices and Job Satisfaction</td>
<td>The employee relations practices tested had a very minimal influence on job satisfaction for Swissport Kenya employees which implies that there are other factors which influence the employees job satisfaction.</td>
<td>Focused on effect on employee job satisfaction and not the general organization performance. The study did not explore other employee relations practices under this study.</td>
<td>Influence of employee relations strategies; employee welfare, employee participation and grievance resolution on organizational performance.</td>
</tr>
<tr>
<td>Karanja (2011)</td>
<td>Employee Relationship and Organizational Performance</td>
<td>A positive strong correlation exists between employee relationship and organization performance</td>
<td>Focused on employee motivations factors.</td>
<td>Explore other employee relations strategies.</td>
</tr>
<tr>
<td>Cherono (2017)</td>
<td>Employee Development</td>
<td>Participation of the Participation as a variable is</td>
<td>Employee Participation on organization performance</td>
<td></td>
</tr>
<tr>
<td>Author</td>
<td>Focus of the Study</td>
<td>Findings</td>
<td>Research gap</td>
<td>Focus of the current study</td>
</tr>
<tr>
<td>---------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Ngui (2016)</td>
<td>Relationship Between Employee Relations Strategies And Performance</td>
<td>There is a positive linear relationship between employee relations strategies and Organization Performance</td>
<td>focused on two aspects of employee relations strategies employee participation and communication only.</td>
<td>Employee welfare and grievance resolution on performance.</td>
</tr>
<tr>
<td>Oguwa (2011)</td>
<td>Influence of Employee staffing and promotions,</td>
<td>Focused on different variables</td>
<td>Focus on employee welfare, communication, employee</td>
<td></td>
</tr>
<tr>
<td>Author</td>
<td>Focus of the Study</td>
<td>Findings</td>
<td>Research gap</td>
<td>Focus of the current study</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Relations</td>
<td>Strategies On Organisational Performance</td>
<td>employee training and development, performance appraisal, job analysis and job description and employee reward significantly influence organizational performance</td>
<td>and within banking sector.</td>
<td>participation and grievance resolution in the Water and Sewerage Sector.</td>
</tr>
<tr>
<td>Samwel (20018)</td>
<td>Effect of Employee Relations on Employee Performance and Organizational Performance-</td>
<td>Positive significant relationship between employee relations and employee performance as well as on organization performance.</td>
<td>Study of Small Organizations in Tanzania and generalized employee relations strategies.</td>
<td>Focus on large organization in Kenya</td>
</tr>
</tbody>
</table>
2.6 Conceptual framework

A conceptual framework is a model presentation where a researcher represents the relationships between variables in the study and shows the relationship diagrammatically. The conceptual framework described four activities of employee relations strategies which an organization may adopt. The activities present independent variables which are employee welfare, communication, and employee participation and grievance resolution mechanism. The dependent variable is performance of Nairobi City Water and Sewerage Company. The study sought to interrogate them as illustrated in figure 1 below.

**Independent Variable**

**Employee Welfare**
- Safety benefits
- Financial security
- Wellness benefits

**Communication**
- Effectiveness
- Two way
- Open door policy

**Employee Participation**
- Direct Consultations
- Union as collective voice
- Joint work committee

**Grievance Resolution Mechanism**
- Arbitration
- Joint Management/Union Committee.
- Prompt resolution of grievance

**Dependent Variable**

**Organization Performance**
- Efficiency
- Revenue growth
- Customer Satisfaction

**Figure 1: Conceptual Framework**

**Source:** Researcher (2018)
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction
This chapter describes the research procedures in terms of the research design, target population, sampling procedure, sample size, data collection instruments, validity and reliability of the instruments, data collection procedures, data analysis techniques and ethical considerations.

3.2 Research Design
Bryman and Bell (2007) defines research design as the structure that guides the execution of a research method, and the subsequent analysis of acquired data. It provides a framework for the generation of evidence that is suited both to a certain set of criteria and to the research design as an activity and time based plan which is based on research questions that guides the selection of source of information and specifies the relationship among study variables. It also outlines the procedure.

The study employed a descriptive survey design. Descriptive survey studies are those that are concerned with describing the characteristic of a particular individual or of a group (Kothari. 2004). This design was considered appropriate for this study since it was able to give room for exploratory and descriptive data. This form of data was important in understanding the influence of employee relations strategies on organizational performance at Nairobi City Water and Sewerage Company.

3.3 Target Population of the Study
Population refers to an entire group of objects having common observable characteristics (Copper & Schinder, 2009). Population often tends to have a wide geographical spread and in most cases the researcher is not necessarily interested in
the total or universal population (Kothari, 2008). The study is interested in the target population which comprises of all individuals, objects or things that can reasonably be generalized in research findings (Mugenda, 2008). In this research the target population was employees of Nairobi City Water and Sewerage Company.

There are 88 Water and Sewerage Service providers in Kenya (WASREB report) however Nairobi City Water and Sewerage Company is ranked as largest based on the service area, customer base and the number of employees. The target population was a total of 3534 staff working in the Nairobi City Water and Sewerage Company as detailed in table 2 below.

Table 2: Target Population

<table>
<thead>
<tr>
<th>Grade Ranking</th>
<th>Target Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Managers (Directors and Managers)</td>
<td>36</td>
</tr>
<tr>
<td>Middle Level Managers (Coordinators and Officers)</td>
<td>331</td>
</tr>
<tr>
<td>Supervisors</td>
<td>630</td>
</tr>
<tr>
<td>Support Staff</td>
<td>2536</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3534</strong></td>
</tr>
</tbody>
</table>

**Source: NCWSC Human Resource Department (August 2018)**

**3.4 Sample Size and Sampling Procedure**

This study applied a stratified random sampling technique. Stratified random sampling is whereby the population is divided into segments and thereafter subjects are drawn in proportion to their original numbers in the population (Mugenda and Mugenda, 2009). According to Orodho (2009) stratified random sampling is considered appropriate since it gives all respondents an equal chance of being selected and thus it has no bias and eases generalization of the findings. The target population was divided into four strata of senior managers, middle level managers, supervisors and support staff. Stratified random sampling was then applied to select 10% of the
respondents from each population strata leading to a total of 354 respondents as the sample size for the study as described in table 3 below. For descriptive studies, 10% of the population is adequate for sampling, Mugenda & Mugenda (2003).

**Table 3: Sample Population**

<table>
<thead>
<tr>
<th>Grade Ranking</th>
<th>Target Population</th>
<th>Percentage size (10%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Manager</td>
<td>36</td>
<td>4</td>
</tr>
<tr>
<td>Middle Level Managers</td>
<td>331</td>
<td>33</td>
</tr>
<tr>
<td>Supervisors</td>
<td>630</td>
<td>63</td>
</tr>
<tr>
<td>Support Staff</td>
<td>2536</td>
<td>253</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3534</strong></td>
<td><strong>354</strong></td>
</tr>
</tbody>
</table>

*Source: Researcher (2018)*

### 3.5 Data Collection Instruments

Data collection is the process of gathering respondent’s opinions on the study problem (Kothari, 2004). The study used structured questionnaires to collect primary data. The questionnaires are considered suitable in that they can serve a large group of respondents. They have benefit of self administeribility, anonymity and the standardization of questions for the purpose of easing the data analysis procedures (Orodho, 2005). The questionnaire encompassed the social demographics section and questions derived from the research objectives. The questionnaire used closed ended questions and were on 5 – point Likert scale. Likert scale is the most widely used approach to scaling responses in survey research (Borg & Gall, 1989).
3.6 Validity and Reliability of Research Instruments

3.6.1 Validity of Data Collection Instruments

According to Mugenda and Mugenda (2003), Validity is the accuracy and meaningfulness of inferences, which are based on the research results. The validity of the questionnaire was determined using construct validity method. Using a panel of experts familiar with the construct is a way in which this type of validity can be assessed (Cooper & Schindler, 2006). The study used different groups of experts in the field of human resource management and issued them with the questionnaires. The experts were required to assess if the questionnaires could effectively be used in establishing influence of employee relations strategies on organizational performance. This enabled the researcher establish content and construct validity. The recommendations from the experts and the pilot study respondents were used to refine and improve the validity of the data collection instruments.

3.6.2 Reliability of Data Collection Instruments

Reliability is a measure of the extent to which an instrument will consistently yield the similar results after being administered several times to the same respondents (Orodho, 2005). Data from the pilot study was tested using Cronbach’s alpha to determine internal consistency or average correlation of items in the investigation instrument to gauge its reliability, assess and improve upon the reliability of variables derived from summated scales (Cronbach, 1951). Data reliability was measured using Cronbach’s alpha coefficient with ranges between 0 and 1 (Sekaran, 2003). In this study, Cronbach’s alpha was applied to determine the internal reliability of the questionnaire used in this study on the same pilot group and responses were collected with a view of establishing the consistency of the questionnaire.
According to Mugenda & Mugenda, (2009), the reliability index acceptable is between 0.7 and above, in this study, Cronbach’s alpha was calculated by application of SPSS for reliability analysis. The value of the alpha coefficient ranges from 0 – 1 and may be used to describe the reliability of factors extracted from multi-point formatted questionnaires or scales. A higher value shows a more reliable generated scale. Mugenda & Mugenda, (2009) proposed that a reliability below 0.4 is unreliable, 0.4-0.5 as poor, 0.5-0.6 as acceptable, 0.6-0.7 as good, 0.7-0.8 as very good and above 0.8 as excellent. According to Table 4, the reliability test shows Cronbach’s alpha values of 0.846 for the tool confirmed excellent reliability of the data collection instrument.

**Table 4: Reliability Test**

<table>
<thead>
<tr>
<th>Case Processing Summary (Scale: ALL VARIABLES)</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cases</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid</td>
<td>311</td>
<td>100.0</td>
</tr>
<tr>
<td>Excluded&lt;sup&gt;a&lt;/sup&gt;</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>311</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<sup>a</sup> Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>The tool</td>
<td>.846</td>
<td>43</td>
</tr>
</tbody>
</table>

**Source:** Research data, (2018)

**3.7 Data Collection Procedure**

The researcher obtained a research permit and letter of authority to conduct the research from the National Council of Science and Technology, Research and Innovation in Nairobi. The researcher also obtained a written authority to conduct the research at Nairobi City Water and Sewerage Company. The study used
questionnaires as the main tool of collecting data from the target respondents and collected them to deter collusion and enhance the response rate. The researcher visited the research station in person for purpose of introduction, familiarization, distribution, administration and collection of data.

3.8 Data Analysis and Presentation

Primary data collected was carefully scrutinized and checked for completeness and comprehensibility. Coding was done to translate question responses into specific categories for manageable summaries. Tromp and Kombo (2006) assert that main reason for coding is to create scales and codes from the respondents, which can easily be summarized and analyzed in many ways. Descriptive and inferential statistics were done using Statistical Package for Social Sciences (SPSS). Quantitative data was also analysed using descriptive statistics such as frequencies, mean, standard deviation and presented in tables. Correlation analysis was used to determine the relationship between the variables.

The regression model was of the following form;

\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \varepsilon \]

Where;

\( Y \) = Performance of Nairobi City Water and Sewerage Company Limited

\( \beta_0 \) = Constant showing organizational performance in the absence of employee relations strategies

\( \beta_1 \) to \( \beta_5 \) = regression coefficients

\( X_1 \) = Employee Welfare (EW)

\( X_2 \) = Communication (COM)

\( X_3 \) = Employee Participation (EP)

\( X_4 \) = Grievance Resolution Mechanism (GRM)
ε = error term

3.9 Ethical Considerations

The researcher obtained a letter from Kenyatta University and Nairobi City Water and Sewerage Company before data collection and all the ethical aspects of research including informed consent of respondents to participate in the research, anonymity, privacy and confidentiality was observed. An assurance was given to the respondents that the information provided was be used for research purpose only and not be used against them.
CHAPTER FOUR
RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter discusses the study findings obtained from the field. The general objective of the study was to find out the influence of employee relations strategies on performance at Nairobi City Water and Sewerage Company, Kenya and the specific objectives were to examine the influence of employee welfare, communication, employee participation and grievance resolution mechanism on the performance of Nairobi City Water and Sewerage Company, Kenya.

The chapter presents the background information of the respondents, findings of the analysis based on the research objectives of the study. Descriptive and inferential statistics have been used to discuss the findings of the study. Quantitative data was analyzed using descriptive statistics such as frequency, mean and standard deviation and presented in tables and figures. The response rate is given first, followed by demographic data of the respondents, descriptive statistics and inferential statistics.

4.2 Response Rate

The study proposed a sample size of 354 respondents from which 253 filled in and returned the questionnaires making a response rate of 71.5%. According to Mugenda & Mugenda, (2009), a response rate below 40% is unreliable, a response rate of 40%-50% is poor, a response rate of 50%-60% is acceptable for analysis and reporting, a response rate of 60%-70% is good and a response rate of 70%-80% is very good while response of over 80% is excellent. This response rate of 253 out of 354 respondents was very good, satisfactory and representative to make conclusions for the study. Their response rate is shown in table 4.
Table 5: Response Rate

<table>
<thead>
<tr>
<th>Questionnaires</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response</td>
<td>253</td>
<td>71.5%</td>
</tr>
<tr>
<td>Non-response</td>
<td>101</td>
<td>28.5%</td>
</tr>
<tr>
<td>Total</td>
<td>354</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Research data, (2018)

4.3 Demographic Information

The study sought to find out the general information in order to properly understand the profile of respondents. The general information of the respondents included; Gender, Age Bracket, Education background and Length of service and results were as bellow;

4.3.1 Gender

The study found that, majority of the respondents were male, with a frequency of 138 of 253 constituting about 53.8% while the female respondents were 117 constituting 46.2% in frequency. This shows that all the genders were well represented. Table 6 displays the gender information of the respondents.

Table 6: Gender

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>136</td>
<td>53.8</td>
<td>53.8</td>
<td>53.8</td>
</tr>
<tr>
<td>Female</td>
<td>117</td>
<td>46.2</td>
<td>46.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>253</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Research data, (2018)

4.3.2 Age Bracket

The researcher sought to establish age profile of the respondents and determine if the respondents were mature and knowledgeable with regards to giving answers which
may help in achieving the objectives of the study. The respondents were to indicate their age and the results were as follows;

**Table 7: Age bracket**

<table>
<thead>
<tr>
<th>Age bracket</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30Yrs</td>
<td>37</td>
<td>14.6</td>
<td>14.6</td>
<td>14.6</td>
</tr>
<tr>
<td>31-40Yrs</td>
<td>125</td>
<td>49.4</td>
<td>49.4</td>
<td>64.0</td>
</tr>
<tr>
<td>41-50Yrs</td>
<td>67</td>
<td>26.5</td>
<td>26.5</td>
<td>90.5</td>
</tr>
<tr>
<td>51-60Yrs</td>
<td>24</td>
<td>9.5</td>
<td>9.5</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>253</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Research data, (2018)*

The study findings in table 7 depicts that majority of the respondents were between 31-40 years with a frequency of 125 respondents constituting about 49.4% followed by those between 41-50 years constituting about 67 in frequency which was 26.5%. Those respondents between 20-30 years ranked third with a frequency of 37 constituting about 14.6% of the total respondents and lastly those respondents who aged between 51-60 years constituting 24 respondents in frequency which was about 9.5% of the total respondents. The researcher established that majority of the respondents were between 31 years to 50 years demonstrating a more mature and active employee base at the institution.

**4.3.3 Designation**

The target population of the study was profiled into stratum of Senior Managers (Directors and Managers), Middle Level Managers (Coordinators and Officers), Supervisors and Support Staff. Table 8 below shows the frequency of the group.
It is clear from the study results that, majority of the respondents were Support staff (Assistant Level) with a frequency of 105 constituting about 41.5% of the total respondents, followed by Supervisors who were 82 in frequency constituting about 32.4%. Third was Middle Level Manager (Coordinator, Officers) constituting about 54 in frequency which was about 21.3% and lastly Senior Manager (Director, Manager) were the least with about 12 in frequency constituting 4.7% of the respondents engaged in the study.

### Table 8: Designation

<table>
<thead>
<tr>
<th>Valid</th>
<th>Senior Manager (Director, Manager)</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Middle Level Manager (Coordinator, Officers)</td>
<td>54</td>
<td>21.3</td>
<td>21.3</td>
<td>26.1</td>
</tr>
<tr>
<td></td>
<td>Supervisor (Assistant Level)</td>
<td>82</td>
<td>32.4</td>
<td>32.4</td>
<td>58.5</td>
</tr>
<tr>
<td></td>
<td>Support staff (Assistant Level)</td>
<td>105</td>
<td>41.5</td>
<td>41.5</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>253</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Research data, (2018)
4.3.4 Education Background

The respondents were to indicate their academic qualifications and the results were as follows;

**Table 9: Education Background**

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary School</td>
<td>4</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Secondary / High school</td>
<td>12</td>
<td>4.7</td>
<td>4.7</td>
<td>6.3</td>
</tr>
<tr>
<td>Diploma Level</td>
<td>48</td>
<td>19.0</td>
<td>19.0</td>
<td>25.3</td>
</tr>
<tr>
<td>Undergraduate degree</td>
<td>106</td>
<td>41.9</td>
<td>41.9</td>
<td>67.2</td>
</tr>
<tr>
<td>Master’s Degree</td>
<td>77</td>
<td>30.4</td>
<td>30.4</td>
<td>97.6</td>
</tr>
<tr>
<td>PHD</td>
<td>1</td>
<td>.4</td>
<td>.4</td>
<td>98.0</td>
</tr>
<tr>
<td>Others (Specify)</td>
<td>5</td>
<td>2.0</td>
<td>2.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>253</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source: Research data, (2018)**

The study findings revealed that majority of the respondents had Undergraduate degree qualifications with a frequency of 106 constituting about 41.9% followed by those respondents who had Master’s Degree qualifications with a frequency of 77 making up about 30.4% of the total respondents. Those who had College Diploma qualification were third in ranking having 48 in frequencies constituting about 19.0% followed by those respondents with secondary and primary education only constituted about 16 in frequency which was about 6.3% and lastly those respondents with other qualification were 5 in frequency which was about 2.0% of the total respondents. There was only one PHD respondent at Nairobi City Water and Sewerage Company, Kenya. The results indicate that NCWSC has a qualified and professional workforce that can drive the organization to greater heights.
4.3.5 Length of service

The respondents were also requested to indicate the number of years that they have been working at the institution and the results were as follows;

Table 10: Length of Service

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 5 years</td>
<td>55</td>
<td>21.7</td>
<td>21.7</td>
<td>21.7</td>
</tr>
<tr>
<td>5 –10 years</td>
<td>130</td>
<td>51.4</td>
<td>51.4</td>
<td>73.1</td>
</tr>
<tr>
<td>10 – 20 years</td>
<td>53</td>
<td>20.9</td>
<td>20.9</td>
<td>94.1</td>
</tr>
<tr>
<td>20 years and over</td>
<td>15</td>
<td>5.9</td>
<td>5.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>253</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Research data, (2018)

The study findings revealed that majority of the respondents 130 (51.4%) had served for between 5 –10 years followed by those respondents who have worked below 5 years constituting 55 (21.7%) in frequency. Those who have worked for between 10 – 20 years were 53 in frequency constituting about 20.9% of the total respondents and lastly, those respondents who had served for over 20 years were 15 in frequency constituting about 5.9% of the total respondents.

4.4 Descriptive Statistics

Descriptive statistics is the analysis of data that helps describe, show or summarize data in a meaningful way. A Likert scale of 1-5 was used. Where; 5= Strongly Agree; 4 = Agree; 3 = Neutral; 2 = Disagree and 1 = Strongly Disagree

4.4.1 Employee Welfare and Organization Performance

The first objective sought to examine the effect of employee welfare on organization performance at Nairobi City Water and Sewerage Company, Kenya. The findings are shown in table 11 below.
Table 11: Employee Welfare and Organization Performance

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are provided with Personal Protective Equipment (PPE)</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.5138</td>
<td>.71603</td>
</tr>
<tr>
<td>Employee are covered against risk through insurance</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.2688</td>
<td>.68349</td>
</tr>
<tr>
<td>Employees are provided with retirement benefits schemes</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.2134</td>
<td>.75717</td>
</tr>
<tr>
<td>Financial support through Cooperative Savings and Loans are in place</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>3.9881</td>
<td>.96971</td>
</tr>
<tr>
<td>Employees are provided with medical cover</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5889</td>
<td>1.12202</td>
</tr>
<tr>
<td>Wellness programmes in place are adequate</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>4.1897</td>
<td>1.05201</td>
</tr>
<tr>
<td>Provision of PPE to employee influence performance</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5534</td>
<td>1.22884</td>
</tr>
<tr>
<td>Provision of adequate financial security programmes influence employee commitment to organization</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5257</td>
<td>1.35852</td>
</tr>
<tr>
<td>Provision of wellness programmes influence employee performance</td>
<td>253</td>
<td>1.00</td>
<td>6.00</td>
<td>3.2451</td>
<td>1.21303</td>
</tr>
<tr>
<td>Aggregate</td>
<td>3.8985</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research data, (2018)

The results in table 11 show that majority of the respondents strongly agreed with the statements that employees are provided with personal protective equipment as indicated by mean of 4.5138 and standard deviation of 0.176, employees are covered...
against risk through insurance with mean of 4.2688 and standard deviation of 0.683, employees are provided with retirement benefits schemes with mean of 4.213 and standard deviation of 0.757, financial support through Cooperative Savings and Loans are in place with mean of 3.988 and SD of 0.967, employees are provided with medical cover with mean of 3.588 and standard deviation of 1.122 and wellness programmes in place are adequate as indicated by a mean of 4.189 and standards deviation of 1.052. Majority of the respondents strongly agreed with statements on provision of safety, financial and wellness benefits meaning the Company considers employee wellness important to operational efficiency, revenue growth and customer satisfaction.

These were followed by statements on whether provision of PPE, adequate financial security programmes and provision of wellness programmes influence employee performance and hence the organization and the respondents moderately agreed with (M=3.55, SD=1.228), (M=3.525, SD=1.358) and (M=3.245, SD=1.213) respectively. Consequently, given the grand mean of 3.8985, it is inferred that the respondents have generally consented to the parameters of employee welfare tested that indeed employee welfare influence organization performance at Nairobi City Water and Sewerage Company consisted to Karanja (2011) who established that, there was a strong positive relationship between employees’ welfare and organizational performance. It revealed that poor performance is as a result of poor working conditions, lack of motivation, ineffective communication and lack of employee participation.
4.4.2 Communication and Organization Performance

The second objective sought to establish the effect of communication on organization performance at Nairobi City Water and Sewerage Company, Kenya. The findings are shown in table 12 below.

**Table 12: Communication and Organization Performance**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication between me and my immediate supervisor is satisfactory</td>
<td>253</td>
<td>1.00</td>
<td>6.00</td>
<td>4.0632</td>
<td>1.67970</td>
</tr>
<tr>
<td>Employees receive timely communication on company matters</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>3.8933</td>
<td>.81191</td>
</tr>
<tr>
<td>Open door policy is practiced by the management</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.3834</td>
<td>.68374</td>
</tr>
<tr>
<td>Two way communication between employees and management is practiced</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.5336</td>
<td>.64539</td>
</tr>
<tr>
<td>Effective communication influence organization performance</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.4387</td>
<td>.64334</td>
</tr>
<tr>
<td>Communication practices influence organization performance</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.3281</td>
<td>.70082</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>4.2734</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research data, (2018)

The result in table 12 show that majority strongly agreed that two-way communication between employees and management as indicated by a mean of 4.533 and standard deviation of 0.645 meaning there is no communication barriers, effective communication influence organization performance was strongly agreed as indicated by mean of 4.438 and standard deviation of 0.643 meaning that there exists effective communication between management and employee and significant to organization.
performance. Statement on communication practices influence organization performance was equally strongly agreed by a mean of 4.328 and standard deviation of 0.700 meaning the type of relaying information within the organization influences efficiency, growth and customer satisfaction. Majority of respondents strongly agreed that open door policy was practiced by the management as indicated by mean of 4.383 and standard deviation of 0.683, communication between employee and immediate supervisor was satisfactory with mean of 4.063 and standard deviation of 1.679 and employees receive timely communication on company matters was rated last by mean of 3.893 and standard deviation of 0.811 meaning though majority agreed but there is need for management to improve on prompt communication of matters that affect organization business and employees.

Summary of responses as can be seen from a grand mean of 4.2734 implies that majority of the respondents were in agreement that, communication elements tested above indeed influence organization performance at Nairobi City Water and Sewerage Company, Kenya. The findings agree with Downs & Adrian (2004) findings that different aspects of effective management communication, such as high frequency, openness and accuracy, performance feedback, and adequacy of information about organizational policies and procedures are positively related to employee performance. The findings also concur with the findings of Ngui (2016) which showed that when there was proper, continuous and efficient communication between employees and management and also with the unions it was found that the levels of trust increased and this in turn led the employees to be ready and willing to undertake their duties responsibly. The employees were also willing to accept changes aimed at improving the performance of the organization.
4.4.3 Employee Participation and Organization Performance

The third research objective sought to establish the influence of employee participation on the performance at Nairobi City Water and Sewerage Company, Kenya. The findings are shown in table 13 below.

Table 13: Employee Participation and Organization Performance

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>My opinion regarding work is considered in decision making</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.5968</td>
<td>.60709</td>
</tr>
<tr>
<td>Employees inputs are acknowledged by supervisor/management</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>4.2174</td>
<td>.90203</td>
</tr>
<tr>
<td>The Company recognizes union officials in decision making on Company matters that affect employees</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.7905</td>
<td>.95098</td>
</tr>
<tr>
<td>Joint work committees are used to get employee participation</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.4269</td>
<td>.68977</td>
</tr>
<tr>
<td>Inputs and resolutions from employees are implemented by the management</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.4862</td>
<td>.66429</td>
</tr>
<tr>
<td>Employee involvement in decision making influence organization performance</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.5059</td>
<td>.64007</td>
</tr>
<tr>
<td>Involvement of trade union as collective voice in decision making influence organization performance</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>4.2332</td>
<td>.91556</td>
</tr>
<tr>
<td>Implementation of resolution agreed between employee and management influence organization performance</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>4.0751</td>
<td>.82993</td>
</tr>
</tbody>
</table>

**Aggregate**                                           | 253 | 4.2915

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research data, (2018)

The results in table 13 show that majority of the respondents strongly agreed with the statements that employee opinion regarding work is considered in decision making as
indicated by mean of 4.596 and standard deviation of 0.607, inputs and resolutions from employees are implemented by the management with mean of 4.486 and standard deviation of 0.664, joint work committees are used to get employee participation with mean of 4.426 and standard deviation of 0.689, employees inputs are acknowledged by supervisor/management with mean of 4.217 and SD of 0.902, the Company recognizes union officials in decision making on Company matters that affect employees with mean of 3.790 and standard deviation of 0.950. These were followed by statements of whether employee involvement in decision making, involvement of trade union as collective voice in decision making and implementation of resolution agreed between employee and management influence organization performance and the respondents strongly agreed with (M=4.505,SD=0.640), (M=4.233,SD=0.915) and (M=4.075,SD=0.829) respectively. The grand mean of the findings is 4.2915 indicative that majority respondents were in agreement that indeed employee participation does have an influence on organization performance as shown by the grand mean of and that there is involvement of employees in the running of the day to day business at Nairobi City Water and Sewerage Company either individually or through unions.

The above study findings are in collaboration with those of Odhong and Omolo (2014) who concluded that by involving employees individually and through union the outcome is positive employee relations as opposed to unitarist theory of centralization of power.
4.4.4 Grievance resolution mechanism and organization performance

The fourth and last research objective sought to establish the influence of grievance resolution mechanism on the performance at Nairobi City Water and Sewerage Company, Kenya. The findings are shown in table 14 below.

### Table 14: Grievance resolution mechanism and organization performance

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grievance raised are resolved by</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.2648</td>
<td>.78996</td>
</tr>
<tr>
<td>immediate supervisor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grievance raised are resolved by</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>4.1146</td>
<td>.99538</td>
</tr>
<tr>
<td>Human Resource Representative</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grievance raised by employees are</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.4704</td>
<td>1.21666</td>
</tr>
<tr>
<td>resolved by union intervention</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate grievance are resolved</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.3162</td>
<td>1.14209</td>
</tr>
<tr>
<td>through negotiation between management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and union</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grievance raised by employees are</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.3162</td>
<td>.83263</td>
</tr>
<tr>
<td>resolved promptly</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grievance raised are resolved fairly and</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.1542</td>
<td>.89750</td>
</tr>
<tr>
<td>consistently to all employee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timely resolution of grievance</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.9644</td>
<td>1.04022</td>
</tr>
<tr>
<td>influence organization performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fairness and consistent resolution of</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>3.7787</td>
<td>.81066</td>
</tr>
<tr>
<td>grievance influence organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arbitration by independent parties</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>4.4032</td>
<td>.74236</td>
</tr>
<tr>
<td>(HR/Supervisor/Union) is critical in</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>grievance resolution and affects</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>organization performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>3.940</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research data, (2018)
The results in table 14 indicate that majority of the respondents strongly agreed on the statement that grievance raised by employees are resolved promptly as indicated by a mean of 4.316 and standard deviation of 0.832 and grievance raised are resolved by immediate supervisor by a mean of 4.264 standard deviation of 0.789. These were followed by the statements that grievance raised are resolved fairly and consistently to all employee by a mean of 4.154 and standard deviation of 0.897, grievance raised by employees are resolved by union intervention by a mean of 3.470 and standard deviation of 1.216 and corporate grievance are resolved through negotiation between management and union by a mean of 3.316 and standard deviation of 1.142. Majority of respondents further indicated that arbitration by independent parties (HR/Supervisor/Union) in grievance resolution influence organizational performance (M=4.403,SD=0.742), timely resolution of grievance influence (M=3.964,SD=01.040) and the last rated statement was fairness and consistent resolution of grievance (M=3.964,SD=01.040). It therefore implies that, grievance resolution mechanism at Nairobi City Water and Sewerage Company, Kenya do have an association with organization performance as shown by the grand mean of 3.940.

The above findings support those of Ngari and Agusioma (2016) who established that, disputes affect morale, reduce productivity and ultimately undermine organization performance and growth. They further proposed that the institutions should involve their staff in decision making, have a formal grievance procedure and a formal disciplinary procedure as this improves organization performance in general.

4.4.5 Organization Performance

This section examined the responses on the dependent variable (Organization Performance) so as to assess whether organization performance do have a relationship
with on the various employee relations strategies of; employee welfare, communication, employee participation and grievance resolution mechanism practices discussed in the study. Their responses are summarized in table 15 below.

Table 15: Organisation Performance

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer are satisfied with the Company services</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.8893</td>
<td>1.07442</td>
</tr>
<tr>
<td>The company is committed to improve water and sewerage services to its customers</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.3320</td>
<td>.68461</td>
</tr>
<tr>
<td>Efficiency improvement strategies have been employed for the last five years</td>
<td>253</td>
<td>2.00</td>
<td>5.00</td>
<td>4.4625</td>
<td>.70399</td>
</tr>
<tr>
<td>There has been revenue growth for the last 5 years</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.3794</td>
<td>.52544</td>
</tr>
<tr>
<td>The company communicates performance of the company</td>
<td>253</td>
<td>3.00</td>
<td>5.00</td>
<td>4.4941</td>
<td>.59509</td>
</tr>
<tr>
<td>Nairobi City Water and Sewerage Company is committed towards fulfilling its mission</td>
<td>253</td>
<td>1.00</td>
<td>5.00</td>
<td>3.9644</td>
<td>.97728</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>4.2536</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research data, (2018)

The results in table 15 indicates that majority of the respondents strongly agreed that the company communicates performance of the company as indicated by mean of 4.494 and standard deviation of 0.595, efficiency improvement strategies have been employed for the last five years by a mean of 4.462 and standard deviation of 0.7039 and There has been revenue growth for the last 5 years by mean of 4.379 and standard deviation of 0.525. This was followed by the statements that the company is
committed to improve water and sewerage services to its customers (M=4.332, SD=0.684) and customers are satisfied with the Company services rated last (M=3.8893, SD=1.074). It can be concluded that on organization performance analysis, it is evident that employee relations strategies of; employee welfare, communication, employee participation and grievance resolution mechanism practices influence efficiency, revenue growth and customer satisfaction at Nairobi City Water and Sewerage Company, Kenya as shown by the grand mean of 4.2536. This study results support those of Cole, (2002) who established that, the relationship between employer and the employees can be enhanced if an organization actualizes viable human asset administration strategies.

4.5 Inferential Statistics

Inferential Statistics is the branch of statistics dealing with conclusions, generalizations, predictions, and estimations based on data from samples (Mugenda & Mugenda, 2009). The data was also analyzed using inferential statistics and the following tables was produced from SPSS version 21. The tables included correlation, Analysis of Variance (ANOVA) and regression equation table.

**Table 16: Multiple Regression Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>.740</td>
<td>.548</td>
<td>.540</td>
<td>.31998</td>
<td>Change Statistics</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>F Change</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>df1</td>
</tr>
<tr>
<td></td>
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<td>df2</td>
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<td></td>
<td></td>
<td></td>
<td>Sig. F Change</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>.548</td>
<td>75.049</td>
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<tr>
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<td></td>
<td>4</td>
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<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>248</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Grievance Resolution, Employee Participation, Employee Welfare, and Communication

**Source: Research data, (2018)**

The R value representing correlation coefficient was given by 0.740 which means that there was strong positive correlation between the performance (dependent variable)
and employee welfare, communication, employee participation and grievance resolution mechanism (independent variable). R Square representing determinant coefficient was given by 0.548 meaning that 54.8% of variation in performance is determined by employee welfare, communication, employee participation and grievance resolution mechanism but 45.2% is explained by other factors. Therefore, further research should be conducted to investigate the other factors (45.2%) that affect the performance at Nairobi City Water and Sewerage Company.

**Table 17: Analysis of Variance (ANOVA)**

<table>
<thead>
<tr>
<th>Model</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>30.735</td>
<td>4</td>
<td>7.684</td>
<td>75.049</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>25.391</td>
<td>248</td>
<td>.102</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>56.127</td>
<td>252</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Organization Performance  
b. Predictors: (Constant), Grievance Resolution, Employee Participation, Employee Welfare, and Communication  

**Source: Research data, (2018)**

In an attempt to test the significant of the model, the study used ANOVA. From Table 17 the P-value is 0000b which is less than 0.05 thus the model is statistically significance in predicting how employee welfare, communication, employee participation and grievance resolution mechanism influenced the performance of Nairobi City Water and Sewerage Company. The F critical at 5% level of significance is 2.18. Since F calculated (Value = 75.049) is greater than the F critical, this shows that the overall model was significant. There exists significant relation between the dependent variable (performance) and the independent variable (employee welfare, communication, employee participation and grievance resolution mechanism).
Table 18: Regression Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.210</td>
<td>.234</td>
<td>.899</td>
<td>.370</td>
</tr>
<tr>
<td>Employee Welfare</td>
<td>.321</td>
<td>.050</td>
<td>.306</td>
<td>6.393</td>
</tr>
<tr>
<td>Communication</td>
<td>.182</td>
<td>.054</td>
<td>.194</td>
<td>3.389</td>
</tr>
<tr>
<td>Employee Participation</td>
<td>.286</td>
<td>.046</td>
<td>.340</td>
<td>6.249</td>
</tr>
<tr>
<td>Grievance Resolution</td>
<td>.212</td>
<td>.040</td>
<td>.236</td>
<td>5.238</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance at Nairobi City Water and Sewerage Company

Source: Research data, (2018)

The established regression equation by the study was:

$$Y = 0.210 + 0.321X_1 + 0.182X_2 + 0.286X_3 + 0.212X_4 + \varepsilon$$

Where $Y$ = Performance of Nairobi City Water and Sewerage Company

- $X_1$ = Employee Welfare
- $X_2$ = Communication
- $X_3$ = Employee Participation
- $X_4$ = Grievance Resolution Mechanism

Regression model established that taking the employee relations strategies investigated that is; Employee Welfare, Communication, Employee Participation and Grievance Resolution at constant zero, employee performance is at 0.210. From the study findings, the researcher established that, employee welfare had the greatest influence on organization performance at 32.1% followed by employee participation at 28.6%, then grievance resolution at 21.2%, and finally communication at 18.2%. This notwithstanding, grievance resolution, employee participation, employee welfare, and communication were significant as their P-values were less than 0.05 which implies that the management should continuously improve to change performance.
4.5.1 Employee Welfare

Employee welfare had a positive and significant effect in performance of Nairobi City Water and Sewerage Company, Kenya as indicated by their t-values ($t=6.393$, $P<0.05$). Employee welfare was found to have a greater influence on the performance of Nairobi City Water and Sewerage Company at 32.1% and therefore very important for management to continuously improve on employee welfare programmes that motivates and spurs commitment by employees to the organization.

4.5.2 Communication

Communication had a significant influence in performance at Nairobi City Water and Sewerage Company as indicated by their t values ($t=3.389$, $P<0.05$) however as compared to the other variables its influence was the least at 18.2% which implies that though the strategy was significant there was need to improve the others like employee welfare and employee participation for better organizational performance. Otieno, Waiganjo and Njeru (2015) looked at the effect of employee communication on organization performance in Kenya’s horticultural sector and found out that communication is a major determinant of organization performance since communication facilitates exchange of information and helps in improving operational efficiency. Ngui (2016) also established that a positive effect of quality of communication between managers and staff and between employees among themselves on performance. When there was proper, continuous and efficient communication between employees and management and also with the unions it was found that the levels of trust increased and this in turn led the employees to be ready and willing to undertake their duties responsibly.
4.5.3 Employee Participation

Employee participation had a positive and significant influence in performance of Nairobi City Water and Sewerage Company as indicated by their t values (t=6.249, P<0.05) which means that the management of Nairobi City Water and Sewerage Company consult their employees on how to improve the performance. Odhong and Omolo (2014) concluded that by involving employees individually and through union the outcome is positive employee relations as opposed to unitarist theory of centralization of power.

4.5.4 Grievance Resolution Mechanism

Grievance resolution mechanism had a positive and significant influence in performance of Nairobi City Water and Sewerage Company as indicated by their t values (t=5.238, P<0.05). This is in consistent with findings from a similar study by Chenevert and Trembly (2009) who found that good employee relations practices such as employee voice and dispute resolution mechanisms have a positive effect on organization performance. A study by Allan, Dungan, and Peetz, (2010) established that the intensity of collaboration between management and workers (through unions) had a positive effect on workplace performance.
CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter presents the summary of the study, conclusion and recommendations on the research results of the study. The general objective of the study was to determine the influence of employee relations strategies and performance of water and sewerage service provider in Nairobi County specifically at Nairobi City Water & Sewerage Company. The summary, conclusion and recommendations are based on the research questions and the findings drawn from the analysis and interpretations.

5.2 Summary of the Findings
From the study, it was found that there is a significant positive effect of employee relations strategies on the performance of Nairobi City Water and Sewerage Company, Kenya. From the study results, it was found that when employee relations strategies were used the performance of commercial banks changed by 54%. The result is consistent with the argument of Whitener (2001) social exchange theory and social identity theory, indicating that employees who feel they are appreciated by their organization may perceive high status in the organization and may reciprocate an organization by increasing their contribution to the achievement of the goals of the organization (Flynn, 2005; Fuller et al., 2003). This in turn leads to improved individual as well as organizational performance.

5.2.1 Employee Welfare
The study findings revealed that employee welfare among the other parameters had great significant on performance of NCWSC as shown in the regression analysis. The grand mean regarding provision of employee welfare programs and benefits with regards to safety, financial assistance and wellness programs was positive where
majority of responses confirmed provision of PPE, insurance, pensions, affordable loans through memorandum with financial institutions, medical cover and wellness programs. Further analysis of the response shows that there is need to improve on medical cover and wellness programs strategies as the response regarding adequacy of the same was rated lowly. Overall, since employee welfare had the greatest influence on spurring commitment and motivation from employees, the management should continuously review and improve welfare programs to support the business.

5.2.2 Communication

The study results revealed that communication as a strategy for employee relation had a significant factor for organization performance in Nairobi City Water and Sewerage Company, Kenya though the least influential variable in the model which may imply that there is no problem with communication in the Company. There is good communication flow. The study also showed a positive relationship meaning that implementation of communication strategies will always lead to an increase in organization performance at Nairobi City Water and Sewerage Company, Kenya.

There is need to improve on prompt and timely communication on company matters as it was rated the last and also training of immediate supervisor for effective employee relations but generally, their exist effective communication in the Company which has seen growth in revenue collection, efficiency and customer satisfaction.

5.2.3 Employee Participation

On the third objective as to whether employee participation affects performance at Nairobi City Water and Sewerage Company, Kenya, the study results revealed that employee participation strategies are significant to organization performance. According to regression model, the variable was the second influential to performance of organization which implies that a management that recognizes and involves
employees in the direction decisions of the company benefit immensely in growth and performance of the organization. The study results however showed a positive relationship meaning an improvement in employee participation strategies will always lead to an improved organization performance at Nairobi City Water and Sewerage Company. From the respondent feedback, it was noted the Company involve employee in organization decision making and that employees opinion both at individual and through union are considered and resolution implemented. However, since it is the second influential variable under study, there is need to ensure continuous collaboration in decision making and recognize employees either individually or through union officials in Company matters for buy in and ownership.

5.2.4 Grievance Resolution Mechanism

Lastly, on the fourth objective which was to access whether grievance resolution mechanism affects performance at Nairobi City Water and Sewerage Company, Kenya, the study results revealed that truly a relationship exist as shown in the regression model and being the third most influential variable in the model. The study results also showed a positive relationship meaning an improvement in grievance resolution mechanism will always lead to organization performance at Nairobi City Water and Sewerage Company, Kenya. It was also noted from response from that grievances were resolved fairly and consistently, resolved somewhat promptly and through able supervisors and human resources an indication that grievance resolution mechanism is in place and people charged with management of staff support the same. It was also noted that grievance are resolved not necessarily by union intervention which is a positive indication.
5.2.5 Organization performance

The response indicated that majority of respondents agreed NCWSC was performing well in communicating performance of company, efficiency improvement strategies had been put in place, there was revenue growth for the last five years and the company was committed to improve water and sewerage services to its customers. It was however noted from the respondents that customers were not very satisfied with Company services an area that require attention by the management.

The findings affirm study which found out that use unfair labour practices is a major cause of poor employee relations in organizations and there is a need for organizations to implement fair labour practices throughout their operations and do away with unfair labour practices.

5.3 Conclusions

Good employee relations lead to intrinsic motivation and motivational practices affect employee performance positively. Motivated employees are inclined to be more productive than non-motivated employees.

Maintaining harmonious relations is very important for the survival, prosperity and growth of the organization. Good and healthy employee relations leads to better organizational performance. Similarly, the study found that there is a positive significant relationship between employee relations and employee performance as well as between employee relations and organizational performance.

It can be deduced from the study findings that all the four employee relations strategies discussed in the study that is; employee welfare, communication, employee participation and grievance resolution were positively related to organization performance. Secondly, it was also established that; Grievance resolution, employee
participation, employee welfare, and communication as strategies of employee relations at Nairobi City Water and Sewerage Company, Kenya were found to be significant variables in as far as organization performance is concerned hence were critical in that regard.

This shows in policy, grievance resolution, employee participation, employee welfare, and communication need to be considered seriously with regards to organization performance for Nairobi City Water and Sewerage Company, Kenya.

5.4 Recommendations for Policy

Grounded on the above findings, the study makes the following recommendations;

The employee relations strategies of the Nairobi City Water and Sewerage Company, Kenya contributed positively to the general institution performance. Consequently, the study recommends that, the institution should consider reviewing wellness programs under employee welfare strategies.

The study also proposes that; employee participation strategies should be integrated to the existing organization values. The organization norms in terms of work and values should enhance the decision making of both the management and employees positively and attract new staff and retain best performers to boost organization efficiency, revenue collection and customer satisfaction.

The research work also proposes that, the management should ensure that grievance resolution mechanism strategies are those that ensure that grievance raised by employees are resolved promptly, fairly and consistently to all employees.

The Company should also review policies aimed at improving service delivery for organization growth.
Finally, the study recommends that the Nairobi City Water and Sewerage Company, Kenya should invest more on open door policy as practiced by the management, employees receive timely communication on company matters, enhance wellness programs and improve resolution and communication of raised grievance.

But generally Nairobi City Water and Sewerage Company employee relations strategies employed by Nairobi City Water and Sewerage Company is good and promotes staff commitment and performance.

**5.5 Suggestions for Further Research**

First, a similar study can be replicated in other government funded entities in Kenya given that this study was a case study of Nairobi City Water and Sewerage Company, Kenya, so as to compare results and secondly explore other employee relations strategies among them salary and performance appraisal.
REFERENCES


Cherono P (2012). Employee Development and Organizational Performance Of Unilever Tea Kenya Ltd In Kericho County


Olang B. Akoth (2017): The Influence of Conflict Management On Organizational Performance: A Case of Stima Sacco Society Limited


APPENDICES

APPENDIX I: INTRODUCTORY LETTER

Rose Naliaka Wangila

Wangilarosenaliaka28@gmail.com

Tel: 0722 854 978

Dear Respondent,

I am a post graduate student at the Kenyatta University School of Business Undertaking Master’s Degree of Business Administration (Human Resource Management).

I am conducting a study on the topic: Employee Relations Strategies and Organizational Performance at Nairobi City Water & Sewerage Company.

I am therefore inviting you to participate in the survey by responding to questions in the questionnaire. The information gathered was be useful to various stakeholders in the Water and Sewerage sector in the country. All information provided was be treated with the highest confidentiality and was be used for academic purposes only.

Thanking you in advance for your time and cooperation.

Rose Naliaka Wangila
APPENDIX II: RESEARCH QUESTIONNAIRE

This research study seeks to find out employee relations strategies and their influence on organizational performance at Nairobi City Water and Sewerage Company, Kenya. To achieve this objective, relevant questions have been provided to gather data for analysis. Kindly spare some time to provide the requested information. Please note that information given was be used for academic purposes only and was be treated with strict confidence.

SECTION A: BACKGROUND INFORMATION (Tick √ as appropriate)

1. Gender:
   Male [ ]   Female [ ]

2. What is your age bracket?
   20-30 [ ]  31-40 [ ]  41-50 [ ]  51-60 [ ]

3. What is your position in the Company?
   Senior Manager (Director, Manager) [ ]
   Middle Level Manager (Coordinator, Officers) [ ]
   Supervisor [ ]
   Support staff (Assistant Level) [ ]

4. What is your level of education?
   Primary School [ ]
   Secondary / High school [ ]
   Diploma Level [ ]
   Undergraduate degree [ ]
   Master’s Degree [ ]
   PHD [ ]
   Others (Specify) [ ]

5. Years of service:
SECTION B: INFLUENCE OF EMPLOYEE RELATIONS ON ORGANISATION PERFORMANCE

i) EMPLOYEE WELFARE

6. This part seeks to find out information on employee welfare. (Please tick √ as appropriate)

Where; 5 – Strongly Agree, 4 – Agree, 3 – Neutral, 2- Disagree, 1 – Strongly Disagree

<table>
<thead>
<tr>
<th>S/No</th>
<th>Statement</th>
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<tbody>
<tr>
<td>1</td>
<td>Employees are provided with Personal Protective Equipment (PPE)</td>
</tr>
<tr>
<td>2</td>
<td>Employee are covered against risk through insurance</td>
</tr>
<tr>
<td>3</td>
<td>Employees are provided with retirement benefits schemes</td>
</tr>
<tr>
<td>4</td>
<td>Financial support through Cooperative Savings and Loans are in place</td>
</tr>
<tr>
<td>5</td>
<td>Employees are provided with medical cover</td>
</tr>
<tr>
<td>6</td>
<td>Wellness programmes in place are adequate</td>
</tr>
<tr>
<td>7</td>
<td>Provision of PPE to employee influence performance</td>
</tr>
<tr>
<td>8</td>
<td>Provision of adequate financial security programmes influence employee</td>
</tr>
</tbody>
</table>
commitment to organization

9  Provision of wellness programmes influence employee performance

ii) COMMUNICATION

6. This part seeks to find out information on communication. (Please tick √ as appropriate)

Where; 5 – Strongly Agree, 4 – Agree, 3 – Neutral, 2- Disagree, 1 – Strongly Disagree

<table>
<thead>
<tr>
<th>S/No</th>
<th>Statement</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Communication between me and my immediate supervisor is satisfactory</td>
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<tr>
<td>2</td>
<td>Employees receive timely communication on company matters</td>
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<td>3</td>
<td>Open door policy is practiced by the management</td>
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<td>4</td>
<td>Two way communication between employees and management is practiced</td>
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<td>5</td>
<td>Effective communication influence organization performance</td>
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<tr>
<td>6</td>
<td>Communication practices influence organization performance</td>
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</tbody>
</table>

iii) EMPLOYEE PARTICIPATION

6. This part seeks to find out information on employee participation. (Please tick √ as appropriate)

Where; 5 – Strongly Agree, 4 – Agree, 3 – Neutral, 2- Disagree, 1 – Strongly Disagree
iv) GRIEVANCE RESOLUTION MECHANISM

6. This part seeks to find out information on grievance resolution mechanism. (Please tick √ as appropriate)

Where; 5 – Strongly Agree, 4 – Agree, 3 – Neutral, 2 - Disagree, 1 – Strongly Disagree

<table>
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<tr>
<th>S/No</th>
<th>Statement</th>
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<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>My opinion regarding work is considered in decision making</td>
<td></td>
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<tr>
<td>2</td>
<td>Employees inputs are acknowledged by supervisor/management</td>
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<tr>
<td>3</td>
<td>The Company recognizes union officials in decision making on Company matters that affect employees</td>
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<tr>
<td>4</td>
<td>Joint work committees are used to get employee participation</td>
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<tr>
<td>5</td>
<td>Inputs and resolutions from employees are implemented by the management</td>
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<tr>
<td>6</td>
<td>Employee involvement in decision making influence organization performance</td>
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<td>7</td>
<td>Involvement of trade union as collective voice in decision making influence organization performance</td>
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<td>8</td>
<td>Implementation of resolution agreed between employee and management influence organization performance</td>
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</tbody>
</table>

75
1. Grievance raised are resolved by immediate supervisor

2. Grievance raised are resolved by Human Resource Representative

3. Grievance raised by employees are resolved by union intervention

4. Corporate grievance are resolved through negotiation between management and union

5. Grievance raised by employees are resolved promptly

6. Grievance raised are resolved fairly and consistently to all employee

7. Timely resolution of grievance influence organization performance

8. Fairness and consistent resolution of grievance influence organization performance

9. Arbitration by independent parties (HR/Supervisor/Union) is critical in grievance resolution and affects organization performance

**(v) ORGANIZATION PERFORMANCE AT NAIROBI CITY WATER AND SEWERAGE COMPANY**

15. Kindly confirm your level of agreement with the following statements on the performance of Nairobi City Water and Sewerage Company *(Please tick √ as appropriate)*

**Where; 5 – Strongly Agree, 4 – Agree, 3 – Neutral, 2- Disagree, 1 – Strongly Disagree**

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<tr>
<th>S/No</th>
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<tbody>
<tr>
<td>1</td>
<td>Nairobi City Water and Sewerage Company is</td>
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<td>1</td>
<td>The company communicates performance of the company</td>
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<td>2</td>
<td>Efficiency improvement strategies have been employed for the last five years</td>
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<tr>
<td>3</td>
<td>There has been revenue growth for the last 5 years</td>
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<td>4</td>
<td>Customer are satisfied with the Company services</td>
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<td>5</td>
<td>The company is committed to improve water and sewerage services to its customers</td>
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</table>

Thank you for your cooperation
APPENDIX III: AUTHORIZATION LETTER FROM GRADUATE SCHOOL

KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke
Website: www.ku.ac.ke

P.O. Box 48844, 00100
NAIROBI, KENYA
Tel. 020-8704150

FROM: Dean, Graduate School
DATE: 17th October, 2018

TO: Wangila Rose Naliaka
C/o Business Administration Department.


SUBJECT: APPROVAL OF RESEARCH PROJECT PROPOSAL

This is to inform you that Graduate School Board, at its meeting of 11th October, 2018 approved your Research Project Proposal for the M.B.A Degree entitled “Employee Relations Strategies and Performance of Water and Sewerage Service Providers in Nairobi”.

You may now proceed with your Data collection, subject to clearance with the Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking Forms per semester. The form has been developed to replace the Progress Report Forms. The Supervision Tracking Forms are available at the University’s Website under Graduate School webpage downloads.

Thank you.

JACKSON LUVUSI
FOR: DEAN, GRADUATE SCHOOL

CC: Chairman, Business Administration Department

Supervisors:

1. Dr. David Kiuru
   Department of Business Administration
   Kenyatta University

Jul/18
APPENDIX IV: RESEARCH AUTHORISATION LETTER

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-318245, 318249
Fax: +254-20-318245, 318249
Email: info@nacost.go.ke
Website: www.nacost.go.ke
When replying please quote

Ref. No. NACOSTI/P/18/88594/26779 Date: 9th November, 2018

Rose Naliaka Wangila
Kenyatta University
P.O. Box 43844-00100
NAIROBI

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on “Employee relations strategies and performance of Water and Sewerage service provider in Nairobi,” I am pleased to inform you that you have been authorized to undertake research in Nairobi County for the period ending 9th November, 2019.

You are advised to report to the County Commissioner and the County Director of Education, Nairobi County before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit a copy of the final research report to the Commission within one year of completion. The soft copy of the same should be submitted through the Online Research Information System.

GODFREY P. KALERWA MSc., MBA, MKIM
FOR: DIRECTOR-GENERAL/CEO

Copy to:
The County Commissioner
Nairobi County.

The County Director of Education
Nairobi County.

APPENDIX V: RESEARCH PERMIT

THIS IS TO CERTIFY THAT:

MISS. ROSE NALIKA WANGILA

of KENYATTA UNIVERSITY, 30656-100

Nairobi, has been permitted to conduct research in Nairobi County

on the topic: EMPLOYEE RELATIONS

STRATEGIES AND PERFORMANCE OF

WATER AND SEWERAGE SERVICE

PROVIDER IN NAIROBI

for the period ending:

9th November, 2019

Permit No: NACOSTI/P/18/88594/26779

Date Of Issue: 9th November, 2018

Fee Received: Ksh 1000

Applicant's Signature

[Signature]

Director General

National Commission for Science, Technology & Innovation